

**PROMOTING ENTERPRISE SUSTAINABILITY THROUGH GREEN MARKETING  
MODELS: A CASE STUDY OF TISSUE MANUFACTURING AT CHANDARIA  
INDUSTRIES LIMITED NAIROBI, KENYA**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE  
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ENVIRONMENTAL PLANNING AND MANAGEMENT OF THE UNIVERSITY OF  
NAIROBI.**

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**DECLARATION**

I declare that this is my original work and has not been submitted to any other college, institution, or university other than the University of Nairobi for academic credit.

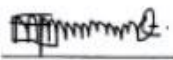
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## **DEDICATION**

To my late son Theodore Reynold and family members for their enduring support and encouragement.

## **ACKNOWLEDGEMENT**

Special thanks to the Almighty Father for having brought me this far despite having encountered obstacles. The University of Nairobi Management for their support in ensuring that students continue with their education through the online platform in spite of the Corona virus disease of 2019 (COVID-19) outbreak.

Finally, to my supervisors Dr. Martin Marani and Mr. Lincoln Ndogoni who have guided me and ensured that I concluded my project on time. May God bless them all!

## ABSTRACT

Enterprise sustainability in manufacturing firms has become one of the pressing issues that the world wants to achieve in the 21st Century. This study aimed at establishing how green marketing can promote enterprise sustainability through four specific objectives: (i) To establish the factors an enterprise should consider when adopting a green marketing model; (ii) To determine green marketing strategies adopted by Chandaria Industries Limited (CIL); (iii) To determine the components of enterprise sustainability that have been achieved in CIL and (iv) To determine the opportunities and challenges faced by CIL when implementing green marketing strategies to promote enterprise sustainability. CIL was selected through purposive sampling while a stratified random sample of 80 respondents comprising of 21 workers, 36 distributors and 23 consumers were stratified according to their position in the chain of distribution before they were randomly selected for the interview. In addition, 3 officials each from government Ministry of Industry, Trade and Cooperatives (Transport Manager), Ministry of Environment and Natural Resources (Project Officer) and National Environment Management Authority (NEMA) (Monitoring and Evaluation Manager) also filled the questionnaires. The study used SPSS version 26 to analyze data and generate descriptive statistics as well as perform regression analysis for hypothesis testing. Results show that on a priority scale of 0-5 CIL considered factors such as competitive advantage (mean of 4.32), environmental protection regulation (mean of 3.59), cost efficiency (mean of 3.7) and consumer behavior (mean of 3.37) when adopting a green marketing model. CIL adopted green marketing strategies like green promotion (mean of 4.35), green product (mean of 3.8), green price (mean of 3.52) and green place (mean of 3.22) to promote their enterprise agenda. In performance terms, CIL tissue manufacturing did significantly well on various components of enterprise sustainability: Economic performance taking the lead with mean of 3.76; Social Performance (3.55); and Environmental Performance (3.37). Despite these achievements CIL can still tap into opportunities like stakeholder partnerships, competitive advantage, corporate social responsibility, environmental responsiveness, government regulation and technology innovation while addressing challenges such as lack of factual information, lack of financial incentives, lack of standardization and poor enforcement of environmental laws to further the green marketing agenda. Test of hypothesis supported the conclusion that green marketing has a statistically significant positive effect on enterprise sustainability. The study recommended CIL broadens their green marketing activities to cover all other production lines besides tissue manufacturing. The government (as regulator) should consider incentives to encourage a culture of resource efficiency among enterprises such as CIL. Finally, more research is needed on how green marketing enables enterprise sustainability in other different sector enterprises such as cooperatives, partnerships for comparison purposes.

## **LIST OF ABBREVIATIONS AND ACRONYMS**

<b>CEO</b>	<b>Chief Executive Officer</b>
<b>CFL</b>	<b>Compact Fluorescent Lamp</b>
<b>CIL</b>	<b>Chandaria Industries Limited</b>
<b>COVID – 19</b>	<b>Coronavirus disease of 2019</b>
<b>GM</b>	<b>Green Marketing</b>
<b>IUCN</b>	<b>International Union for Conservation of Nature</b>
<b>LED</b>	<b>Light-Emitting Diode</b>
<b>NEMA</b>	<b>National Environment Management Association</b>
<b>OECD</b>	<b>Organization for Economic Operation and Development</b>
<b>RECP</b>	<b>Resource Efficient and Cleaner Production</b>
<b>REDD</b>	<b>Reduced Emissions from Deforestation and Degradation (REDD)</b>
<b>SME</b>	<b>Small Medium Enterprise</b>
<b>SPSS</b>	<b>Statistical Package of Social Sciences Software</b>
<b>UN</b>	<b>United Nations</b>
<b>UNECA</b>	<b>United Nations Economic Commission on Africa</b>
<b>UNCTAD</b>	<b>United Nations Commission on Trade and Development</b>
<b>UNIDO</b>	<b>United Nations Industrial Development Organization</b>
<b>USA</b>	<b>United States of America</b>
<b>USD</b>	<b>United States Dollar</b>
<b>WWF</b>	<b>World Wide Fund</b>

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Background

Marketing is a key pillar in enterprise development while environmental sustainability is an inevitable business strategy for many enterprises seeking to make their products and services appealing to increasingly conscious and choosy consumer communities (Christmann, 2000). Many corporate and sole enterprises are using various approaches to promote the sustainability agenda in fast-changing business environments. Also, environmental sustainability has become a major frontier for pursuit of ethical business and entrepreneurship (Sarkar, 2012).

One approach used to build sustainable enterprises is green marketing, which seeks to provide businesses with opportunities with innovative solutions for businesses activities that not only influence economic performance such as increase in profits, but also social and environmental performance with the aim of satisfying customers, and protecting the environment (Carter, 2008). Such activities may include; development of physical attributes of merchandise that cease from abusing the natural environment (environment), processes that are cost effective for the organization such as use of renewable sources of energy (economic), customer satisfaction that is, the well-being of customers is taken into consideration (social) without the compromise of any concept. This is because enterprise sustainability is only realized when all three concepts are achieved (Negi, 2014).

A lot of studies focus on the function of green marketing in yielding an answer for businesses in traversing, achieving a higher advantage over competitors and evaluating green marketing strategies in order to solve, social, economic and environmental concerns hence the term enterprise sustainability (Porter, 1998). Enterprise sustainability is a business practice that entails anticipating and satisfying the needs of current and forthcoming generations of customers through innovative business strategies and activities that impacts on social change positively, preserves the environment, while enhances business performance (Garg,2015).

Many manufacturing companies are choosing to incorporate green marketing as a strategy to enhance enterprise sustainability. This will involve abandonment of unsustainable practices that have been improvised for a long period of time. These practices involve the use of non-

renewable raw materials that aren't recyclable, non-renewable sources of energy such as fossil fuel in running of machines, poor technology that does not minimize waste and harmful gas emission which in overall hinder the health of human beings while pollute the environment (Ambec and Lanoie, 2008). After adoption of the green marketing strategies, these practices will then be replaced with production of green products by use of innovative clean solutions that increase economic and social performance and reduce their environmental impact while not hindering forthcoming generations to satisfy their needs (Kotler, 2004). Also, green packaging is essential in marketing efforts of numerous companies, as abandoned packaging accounts for increased industrial waste and the unpleasant effect on the environment (De Sousa, 2010). In order to attain a competitive advantage, some manufacturing firms are implementing innovative activities such as; utilization of environmentally friendly materials when packaging products, use of recycled paper (Mendleson,2006), and implementing eco-labels, which are known to be a competent approach in marketing of greener products (Ottman,2011).

Green marketing is still referred to as new by some manufacturing companies as it involves investment in green in technology that run on green energy such as solar and wind which organizations are not ready to part with at the expense of making profit. Hence, most manufacturing companies end up incurring high production costs in using fossil fuel in production processes such as in product waste mission, lack of recycling waste to energy and lack of transport systems that are energy efficient to run on green energy (Arundel and Lemp, 2009)

As a result of increasing need to make profit at the expense of societal and environmental benefits, this has encouraged the overreliance of unsustainable manufacturing practices. Such practices have resulted to climate change and has also affected the wellness of the society as a whole. Therefore, manufacturing firms should be knowledgeable about the necessity of sustainability (Crane, 2000), and environmentalism is a platform for marketing to achieve sustainable development and not solely for adherence to regulations on environment (Barton, 2007). When taking up green marketing, manufacturing firms need to broaden their perspective of corporate social responsibility and not only focus on primarily making profit.(Luo, 2009), as this will enhance a company's image and it will depict its responsiveness to society's needs (Mwirigi, 2007). In order to achieve a huge impact in the community: manufacturing firms needs to accept their ethical, social, environmental,



and economic position in society (Peattie, 2012). A lot of time and effort should be dedicated to sustainability, by being more responsible to the environment through use of sustainable business practices such as use of renewable sources of raw material and energy, reduction of waste emission so as to protect the environment and wellness of the people. This results to transformative/transformational marketing (Polonsky, 2001) which is a strong model for adjusting people's perceptions and values with the agenda of lowering negative impacts to the environment and the society.

In the past, paper manufacturing depended on trees as a raw material as they were normally used to manufacture paper. This facilitated a lot of deforestation and hence hampered the rain catchment areas exposing them to long dry spells of drought as forests are known to attract rain (Akumu, 2014). Forest coverage has fallen with a large margin especially in Africa as some organizations still depend on firewood and other fossil fuels for energy instead of green energy thereby increasing air pollution to the environment (Luken & Meinert, 2018). However, despite these practices, there are some manufacturing firms that have adopted the use of recycled paper to manufacture tissue due to the adoption of green marketing strategy. Chandaria Industries Limited (CIL) has adopted green marketing with aim of establishing enterprise sustainability. It is the leading manufacturer of Tissue, Paper and Hygiene products in East, and Central Africa and manufacturers all its products 100% in Kenya. The main business of the company is manufacturing of tissue paper from recycled waste paper and the virgin pulp is blended into various brands of hygiene such as; tissues for toilet purposes, paper napkins, paper towels, facial tissues and recycling of cotton fibers into absorbent cotton wool (East African Magazine, 2001 pg.5). Success in various sectors such as sales and marketing, production, finance and research (global) is achieved through a group of assigned senior, middle and junior managers who are dedicated to their work. It is a very significant team that facilitates paper converting, packaging and printing sector with external sales to Tanzania, Uganda, Burundi, Rwanda and other countries apart from local trade. The mission statement of the company states "to continually improve our environmental performance, at the same time provide our clients with quality paper and tissue products from sustainable and recyclable paper". This goes hand in hand with green marketing as it assures its customers it doesn't depend on trees for its raw material which is really appealing to customers and also to the environment (Green Growth Report, 2011 pg.2).

### 1.1.1 Tissue Manufacturing Process

Tissue is a lightweight paper that is soft and has a fabric feel. It can be made from, virgin pulp, recycled paper among other materials. It undergoes a series of production processes and activities such as:

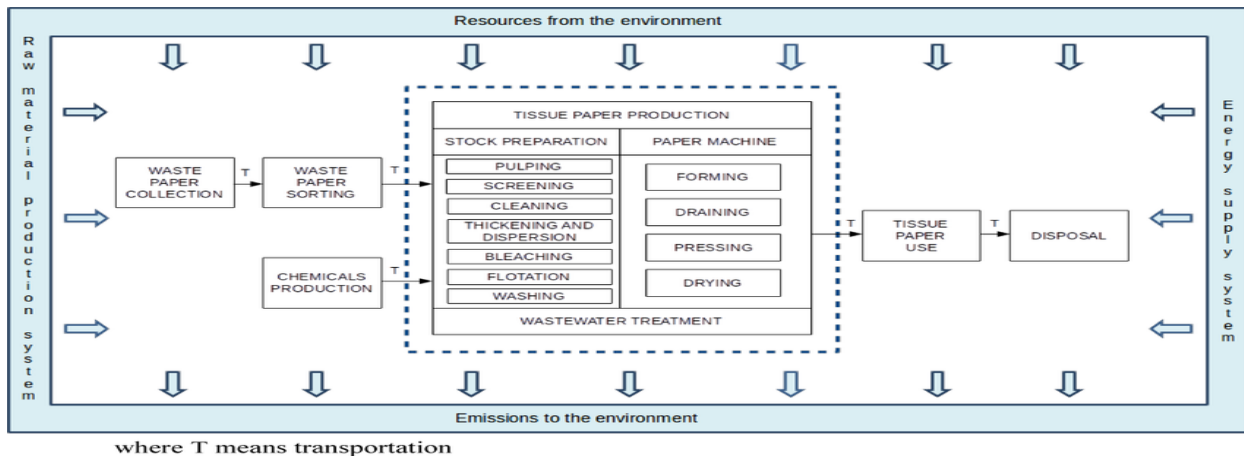


Figure 1.1: Diagram illustrating tissue manufacturing process

Source: Janus 2015

Tissue is a lightweight paper that is soft and has a fabric feel. It can be made from, virgin pulp, recycled paper among other materials. It undergoes a series of production processes and activities such as;

#### 1.1.1.1Pulping

Raw materials which are mainly recycled paper are collected, sorted and inserted into the paper plant mill, where it is mixed with chemicals and water, then pulped, sieved, purified and turned into pulp (Towers, 2009). The use of recycled paper as raw material not only preserves the environment but also reduces production costs this because the before trees are transformed into pulp, it passes through many processes such as removal of the outer layer, chipping and cooking that involves removal of moisture from the wood which entails a lot of energy for running of machines in addition the process is tedious and long (Jaggi& Freedman, 1992). The pulp washing has to be done very well as it will reduce the amount bleach needed to whiten the tissue. This in turn enhances the greenness of the product.

### **1.1.1.2 Pressing**

The recycled pulp is then put into a multistage washer system to remove most lignin and sent to the bleach plant where it is screened and rinsed to eliminate paper coatings and inks. The pulp is somewhat whitened and sanitized with oxygen-based products like peroxide or other alternative bleaching methods to reduce dioxins as a byproduct which damages the environment (Jaggi & Freedmann, 1992). In order to produce paper stock, the pulp is then mixed with water again, this mixture will contain 99.5% water and 0.5% fiber. The paper stock is then sprayed between moving mesh screens, which allows excess drainage of water. The tissue is then transferred on to a massive heated roller called a Yankee. The fabric dries almost instantly to a final moisture content of 5%. Afterwards, the paper is transferred on to a core to form a large diameter roll, the speed is adjusted according to how thick or thin you want it (Towers, 2009).

### **1.1.1.3 Converting**

The tissue is softened by use of an emboissing roller. To create cylindrical rolls, the paper can be made into flat surfaces or wound around a cardboard tube (Towers, 2009). The rolls are then placed in the converting machines that unwind, slit and rewind onto long thin cardboard tubing, thus a log of paper is made. These logs of paper are then cut into rolls by a blade into specific rolls of varying sizes (Jaggi, 1992).

## **1.2 Statement of the problem**

Today, a lot of manufacturing firm activities are conducted on unsustainable practices in that there's still a high dependency on unsustainable raw materials that cannot be recycled, rampant use of non-renewable sources of energy, use of poor cleaner process systems, poor treatment of waste and old technology that cannot prevent waste and gas emissions at required legal rates or monitor proper energy. Such practices cause pollution to the environment which affects the society at large not to mention high costs incurred in electricity, fossil fuel consumption in transport among others that hamper business efficiency. (Cheng and Shiu 2012)

Moreover, majority of the manufacturing firms are skeptical in adopting green marketing as they consider it as a new concept and are not ready to set aside funds that will be allocated in implementing the green marketing strategy as they see it will interfere with the profit margin of the firm (Yang & Chen, 2011). Such investment in green marketing is often used to purchase of green technology that uses green energy such as solar and wind, green transport systems that are faster such as electric delivery vans, and recycling plants that recycle renewable raw materials among others. Green marketing is considered to be expensive rather than a necessity to such organizations as they don't want additional expenses while in the long run, such expenses are actually cost effective hence low level of adoption of green marketing strategy by manufacturing firms (Ambec and Lanoie, 2008).

In addition, manufacturing firms have not been able to adhere to environmental protection regulations such as observing laws on amount of waste and gas emissions or acquire industrial licenses to conduct business operations. Therefore majority of the firms tend to be reactive in that, they wait for the problem to occur then implement the environmental law to solve it rather than to simply be proactive, implement the law so as to prevent the problem from occurring in the first place. Competitive advantage is one major attribute that all manufacturing firms desire but are not able to achieve as they lack a large customer base, make little profit while others have not accessed new markets. This is because, there is still high demand for eco-friendly products that manufacturing firms have not been able to produce to meet customer demands in addition, there is lack of customer awareness by consumers as some cannot be able to differentiate between green and non-green products especially those in rural areas thereby encouraging manufacturing firms to produce non green products.

Therefore the study's aim was to enable manufacturing firms execute sustainable business practices that are cost efficient, meet customers needs and are environmentally friendly through the adoption of green marketing to attain sustainability.

### **1.3 Objectives of the study**

#### **1.3.1 Overall Objective**

The purpose of the study was to contribute to knowledge on how green marketing promotes enterprise sustainability.

#### **1.3.2 Specific Objectives**

The specific objectives of the study were to:

- (i) Determine the factors an enterprise should consider in order to adopt green marketing model
- (ii) Determine the green marketing strategies adopted in Chandaria Industries Limited
- (iii) Determine the enterprise sustainability components that have been achieved through green marketing in Chandaria Tissue Manufacturing Industry
- (iv) Determine the opportunities and challenges in adopting green marketing to promote enterprise sustainability in Chandaria Tissue Manufacturing Industry.

#### **1.3.3 Research Questions**

- (i) What factors should an enterprise consider when adopting a green marketing model?
- (ii) What green marketing strategies have been adopted by Chandaria Tissue Manufacturing Industry?
- (iii) What enterprise sustainability components have been achieved through green marketing in Chandaria Tissue Manufacturing Industry?
- (iv) What are the opportunities and challenges in adopting of green marketing to promote enterprise sustainability in Chandaria Tissue Manufacturing Industry?

#### **1.3.4 Research hypothesis**

Ho: Green marketing positively influences enterprise sustainability

### **1.4 Significance of the study**

The study will advance the knowledge of researchers on the topic at hand and will enable them to give more input on knowledge gaps as they tackle the topic more extensively. The study will also contribute to policy framework as it will help government and environmental institutions formulate

policies that encourage the use of green marketing to promote enterprise sustainability in manufacturing firms. Moreover, manufacturing firms will utilize the research findings to upgrade current green marketing strategies that are in place and hence develop more to facilitate enterprise sustainability. The findings will encourage other business enterprises to integrate green marketing into their goals and objectives.

### **1.5 Scope of the study**

The scope of the study was limited to manufacturing firms as they entail a vast of production processes along the supply chain hence more information will be obtained concerning green marketing which not only looks at production but also the product from raw material up to the finished product. Chandaria Industries Limited was chosen specifically the tissue manufacturing industry in Ruaraka Area of Nairobi County. This is because it's the leading tissue manufacturing firm in East and Central Africa and therefore would be able to give a general assumption concerning adoption of green marketing and how it has enabled it to attain enterprise sustainability. In addition encourage other manufacturing firms to follow suit from the lead manufacturer.

### **1.6 Definition of Terms**

**Green Marketing:** It is a business practice that provides businesses with opportunities with innovative solutions for businesses activities that not only influence economic performance such as increase in profits, but also social and environmental performance with the aim of satisfying customers, and protecting the environment (Carter, 2008).

**Enterprise:** It is another name for a business established for profit gain and comprises of different sizes as some are small medium or large (Polonsky, 2001)

**Sustainability:** It focuses on the future and refers to an item or action that gives rise to environmental, social and economic benefits while not utilizing many resources or causing pollution (Peattie, 2012).

**Enterprise sustainability:** It is a business that entails anticipating and satisfying the needs of current and forthcoming generations of customers through innovative business strategies and activities that impacts on social change positively, preserves the environment, while enhances business performance (Garg, 2015)

**Eco-friendly:** It refers to something that does not ruin the earth but sustainable represents a wide scope of activities that do not interfere with the capability of forthcoming generations to satisfy their necessities (Mendleson, 2006)

**Consumer behaviour:** It is the study of how individuals are influenced to buy products through a variety of factors such as green pricing, loyalty towards the product, product specifications, and green marketing knowledge among others (Widyastuti & Santoso, 2016)

**Green product:** Such products can be produced from recycled materials thereby reducing water, energy and other natural resources required in production processes and hence reduces pollution on the environment (Kumar, 2015)

**Green washing:** It refers to the adoption of outwardly green acts by industries with a sole purpose to gain more profit (Polonsky, 2001).

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 Introduction

The purpose of this segment is to research significant information from previous research contexts so to identify knowledge gaps that this study will fill. It contains past literature on how green marketing facilitates enterprise sustainability. The sub topics accessed in these chapter are: green marketing and enterprise sustainability, factors that influence adoption of green marketing, building environmental aspects into product design, price, place and promotion, general strategies in green marketing, opportunities and challenges in green marketing, knowledge gaps and finally the theoretical and conceptual framework adopted in the study.

#### 2.1 Green marketing: Its evolution as a tool for promoting enterprise sustainability

Evolution of green marketing began in the late 1970s (Stanely,1996), when the American Marketing Association organized the first ever workshop on ‘Ecological Marketing’ in 1975 which led to the writing of the first book on the subject entitled ‘Ecological Marketing’ in 1976 by Henion and Kinnear . The importance of marketing of environment- friendly products was appreciated for the first time. Since then, eco marketing includes different stages. There are three stages of green marketing.

The first particular hazardous issue that are associated with the environment is: polluted air, reduction in oil capability, impacts of pesticides, etc. At that time, ecological marketing was practiced by a few people in that less firms were willing to adjust their behaviour. The focus of marketers in this stage were concerned with environmental problems and their remedies.

Since then, green marketing has evolved over a period of time. (Sharma *et. al.*, 2010).The second phase emerged during the latter half of the 1980s and was referred to as eco-friendly promotion. The focus shifted to embracing clean technology as it was seen to be free from problems of contamination and squander generation (Walley & Whitehead, 1994). The idea of clean technology resulted from incidents that damaged the environment such as Bhopal gas tragedy (1984). Some researchers examined the ozone layer and found out that it was being destructed, Chernobyl (1986) and Exxon-Valdez oil spill (1989). As a result, different perspectives and crucial ideas such as sustainability, environmental quality, eco-performance, green consumers, affecting, business, environment and society emerged (Eneizan *et. al*, 2015).



The third stage was the sustainable eco promotion that was introduced back in late 90s and initial part of 2000s. The approach taken by marketers was more profound and the aim, during this phase was adjusted to integrating sustainable business practices. A serious concern about green marketing appeared towards the end of this phase, due to some incidents of false green marketing claims (Kumar *et.al*, 2011). The marketers by then did not appreciate this concern and eventually, green marketing as resisted (Crane, 2000). This resistance as outlined by Crane (2000) comprised of consumer distrust and confusion for green claims of marketers. As a result of this resistance, Terra Choice Environmental Marketing Inc. (2007) performed a green in-depth analysis of green marketing claims on consumers of North America in the 1990s. A survey was completed on 1,018 consumer products containing 1,753 environmental demands. This study had identified six categories of false environmental claims and collectively, termed them as “Six Sins of Green washing’. These are offence of veil exchange (comprised of those slogans about the goods or services that are pertain green or safe environment feature and having different characteristics to fulfil the requirement of eco safety. Example: energy saving products includes the toxic materials that cannot be disposed of efficiently) offence for lack of proof (which implies the information does not have proof and cannot be confirmed adequately by the other people); offence of ambiguity (suggest obscurely explained and thereby, anticipated to be misunderstood concerning commodities by the person 100 percent natural product but some of the natural substances can also be hazardous); offence of insignificance (suggest that information is based upon truth but do not have any importance related to the environment. Example: CFC-free products); offence of lesser of two evils (suggest it is based upon truth but did not indulge the consumer to get the real picture of environmental damage. Example: toxic free tobacco) and offence of falsehood (suggest lame explanation). Steer (1996) confirmed that from the 1,018 reviewed commodities, all the commodities were interrelated in the six offences of eco washing.

Similarly, previous studies specified five marketing strategies that have not succeeded and that and have hindered eco marketing success. These five marketing strategies were eco production, eco purchasing and promoting as well, enviropreneurial promotion and comply with the marketing. In green spinning, business firms (who receive criticisms for environmental damage) do not change the production technology, policies or processes but rely only on public relation department to defend against allegations on them. In green selling strategy also, no change in the

product is incorporated but only a slight adjustment is introduced in promotional strategies in order to highlight eco- friendly attributes of the product.(World Bank,2012). Green harvesting involves reducing packaging and energy usage for organization's gain only. But green products remained at a premium price and hence, their broad acknowledgement is prevented. In enviro-preneurial marketing strategy, enterprises design and promote green products without ascertaining the consumers' needs and wants. In compliance marketing strategy, enterprises do not incorporate voluntary green initiatives and simply conform to the mandatory environmental protection norms. Ottman *et.al* (2006) have also explored the reasons for the lack of green marketers and initiated green marketing myopia concept. As already discussed elsewhere, the green marketing should aim at improving environmental quality as well as consumer satisfaction. Misjudging either of them or exaggerate discussion on the highly enhanced eco performance results in the problem of green marketing myopia. Ottman *et.al*, (2011) have shown that a sufficient number of green commodities fail due to marketers overstressing on the greenness of the product but ignore the broader customer's desires.

The desire of business firms to make quick profits accumulated and led them to use false green marketing claims. As a result there was deep mistrust among the consumers and thereby, long-term loyalty of consumers was lost. To reverse the green marketing resistance, the efforts from researchers were incorporated to envisage the policy measures to win back the confidence of consumers. In this regard, Porter (2009) had proposed four strategies, namely, passive greening (to solve environmental issues due to stakeholders pressures ; customers, regulators, corporate, pressure groups or media), muted greening (improvements in the products to make it greener), niche greening (focus on customers who are environmentally conscious and position commodities as eco-friendly alternative to conventional offerings.) and collaborative greening (test with collaborative efforts to mitigate environmental problems). For the success of green offerings in the market, Ottman (2011) suggested that marketers the aim of marketers should be on effective communication as well as delivery of value that is admired by consumers in the marketplace. Such policy imperatives helped the marketers to recover the lost ground. Recent studies have shown that regardless of the identified errors in claims of green marketers, consumers' and environmental concerns have not reduced. Internet consumers particularly on the Google and yahoo have reached about 31 million till 2008 (Peattie, 2012). It is anticipated that consumers would prefer to buy the products that are ecofriendly on a long term occasion which

would significantly affect sustainability of a firm. This is because, as the need for purchasers to buy green products that are produced sustainably increases, so does the profit and market share of the organization thereby enhancing enterprise sustainability (Porter& Kramer, 2011).

### **2.1.1 Global green marketing and enterprise sustainability**

Recently, from a social and ethical responsibility perspective, environmental awareness has increased at various levels around the world as outlined by a study conducted by Porter (2011), who realized that one outstanding reason for this increase is the upsurge of pollution levels, global warming, ozone layer destruction and the misuse of natural resources because of incautious industrialization in enterprises. As a consequence of these occurrences worldwide, many agencies and organizations have responded to the call for the conservation of the environment to make it a better sanctuary for current and futuristic generations to stay in (World Bank,2012).

Under these conditions, new notions surfaced such as, green marketing which refers to "the development of more environmentally safe products" (Kotler, 2004). It is interpreted as "the activities that involve production, pricing and promotion of products that do not negatively affect the environment" (Kumar and Ghodeswar, 2015). Green marketing is regarded a new idea that involves optimal utilization of resources. It focuses on how to provide the best worth to customers as well as other interested entities, while life-long environmental and economic needs are accounted for (Barney, 1991). Furthermore, as a result of the vast knowledge and campaign on weather-related destructions and damages, global consumers are growing sensitive to preservation of the environment. This situation has enhanced enterprises adaption levels to activities that take into consideration the needs and wants of the green consumer by incorporating enterprise sustainability properties into their marketing mix as confirmed a study by (Chan, 2013).

Global green marketing revenues lion's share is taken up by The United States and Europe. This is as a result of American consumers increased awareness on green marketing to invest in efficient homes and vehicles, recycling, consumption of green products among other practices as stated by Sustainable Development Solutions Network (2017).In order to benefit from awards rewarded to producers, who steer towards production of green products, producers in common

outlets such as groceries, supermarkets, hardware stores among others have embarked on green marketing practices to attract many customers and reap from such benefits (Garg, 2015).

In Europe, as a result of public concerns on products such as food and vehicles, majority of European countries have adopted stringent laws that promote green marketing with the aim of protecting the environment (Luken & Meinert, 2018) In Italy, export of waste to developing countries was raised as a public concern which prompted the implementation of a new hazardous waste bill while in order to tackle solid waste management in France, Denmark, Germany and Belgium. Despite the rampant execution of green marketing in the global market, there are a lot false green claims and there is still need to for green marketing awareness among customers as they determine purchase decisions of firm's products, improve a company's image, increases sales and grows the profit margin of the firm (Oketelo & Obisanjo, 2009).

Global green marketing and enterprise sustainability in manufacturing firms are linked to common goals such as: the creation of environmentally friendly products, the use of recyclable waste materials that are biodegradable in packaging, enterprise production processes and activities that prevent environmental pollution as outlined by Kotler (2006), who analyzed such practices and saw that they encouraged use of energy efficiently, proper waste management among other practices that aid in sustainability of the firm . The notion of green marketing is crucial for achieving enterprise sustainability in manufacturing firms for the following reasons: it facilitates savings, expansion of exports, enhances the company's "green image", enables the company gain competitive advantage, and supports enterprises to escape "green taxes" as stated by Yoon, (2010).

Despite these common goals, green marketing and enterprise sustainability have different competitive platforms depending on the needs and wants of customers, laws and chances to gain trust (Luo and Bhattacharya, 2009). Businesses encounter positive pressure aimed at pushing them to be more efficient environmentally, resulting to their high profit gain and overall economic stability (Barton, 2007). Many manufacturing firms have adopted green marketing for a variety of reasons such as opportunity, social and environmental responsibility, government pressure, competition, and need for goods at more affordable prices. In order for an enterprise to achieve sustainable competitive advantage, it must incorporate all concepts of environmental

thinking into marketing (Porter, 1998). This will only be solved by implementing green marketing strategy, as the main prerequisite for forthcoming competitiveness that has become the answer to solving environmental problems (Nagata and Okuda, 2005) and the adoption level of green marketing, which will result in high competitive advantage, increased profitability, better stakeholder engagement and improved environmental performance (Kumar, 2015)

Due to the intensified emphasis on sustainability in businesses, manufacturing firms are faced with several ethical dilemmas, especially since meeting eco-friendly business needs is expensive (Bennett, 2005). For example, would it be moral for an enterprise to implement practices that encourage environmental sustainability even if they jeopardize the survival of the enterprise, or would it be morally right for an enterprise to enhance its survival while damaging ecological stability? Green marketing strategies give manufacturing firms platforms to harmonize the two views. It enables them to realize reasonable profits while protecting the environment as was determined by United Nations Economic Commission of Africa (UNECA, 2016) which sought to establish the effect of green marketing on sustainable development. The implementation of the green marketing model requires first, determining the factors that influence green marketing, adoption of green marketing strategy, and making sure that all components of enterprise sustainability are achieved as compromise of one component will hinder enterprise sustainability (Ghodeswar, 2015).

One crucial point in the adoption of green marketing in the corporate world is understanding the market, the needs of the people, businesses and organizations that form it (Coddington, 1993). In understanding these factors, technology is accounted for as it is dynamic and keeps on changing every time thereby it creates new market solutions. Therefore organizations such as manufacturing firms should be proactive so as to keep up with new innovations in the technology so as to enhance their marketing processes and procedures through these innovations (Irwin and Hooper, 1992).

A new path of communication between individuals and groups has been formed due to globalization (De Sousa, 2010). This has resulted into the inception of social media that has become a more important approach of communication as it is widely available, cost efficient due to low price and above all, allows freedom of speech without discrimination (Hartmann, 2006). The global community has grown up to date, as the social media bring from different disciplines

and culture. This has therefore increased the customer base as people order for goods online through Amazon among other online stores and are able to access information on green marketing just by a touch a button thereby increasing efficiency of the marketing process (Crane, 2000).

As the number of consumers utilizing social media increases so does the customer base for green products on social media. Consumers should use this platform to take part in the assessment and inception of advertising proposals in enterprises as this will more rapidly impact strategic change in green marketing for social good. This will not only ensure that their needs and wants are met but also for forthcoming generations which is a necessity in achieving enterprise sustainability (Irwin, 1992)

Due to an increasingly saturated marketplace, several trends have been developed to drive change in the marketing sector, with the most important being the need to stand out hence the need for green marketing (Bansal and Roth 2005). This has led to production of green products that aim at giving firms a competitive advantage through high profits but at the same time meets the needs and wants for future generations without compromising the environment (Sharma, 2010). This has also resulted in marketers trying to find ways to differentiate their brands from other green brands through value and design as more companies and products implement sustainability measures. Bio based products which are made in whole or in part of biological products such as cleaning agents, compostable dinnerware are in supermarkets and other retail stores (Dallas, 2008). Hence customers, should support the green marketing initiatives by purchasing the green products and make the world a better place as these products do not interfere with the environment (Winston and Ryan, 2008)

According to Stanley (1996), the needs and wants for customers continue to evolve everyday hence most companies focus is towards connecting with consumers, suppliers and experts in continuous development of innovative ways to incorporate sustainability and social purposes into business strategies such as green marketing without harming the environment.

#### **2.1.1.1 Global green marketing initiatives**

Starbucks a coffee house chain, uses green materials to produce, package and deliver its products to its consumers. It does this with the aim of reducing pollution from waste materials hence preserves the environment. They have made the largest drinking straws sculpture from used plastics to motivate people to reuse plastics most significantly straws. Mc Donald's has also

joined in reducing pollution from waste by manufacturing napkins from recycled paper among other activities (Pathak, 2017)

Philips created compact fluorescent light (CFL) bulb that are more energy efficient as they consume less energy hence lower utility costs for consumers and still provide power during electricity shortages compared to incandescent bulbs (Negi and Anand,2014) Thus, improved corporate social responsibility which is one major factor in establishing enterprise sustainability

A French sportswear brand referred to as Lactose decided to send out a message of protecting endangered animals by creating polo shirts in which they altered their signature look with animals encountering extinction such as the crocodile among others. The profit acquired from the sales was given to IUCN in a bid to prevent extinction of such species (Mendleson, 2006).

### **2.1.2 Green marketing and enterprise sustainability in Africa**

Africa constitutes about 1.4 billion which is 13% of the people worldwide and in 2012, it is estimated that 125 million tonnes of municipal waste in Africa is due to industrial activity as only 4% of its waste is recycled (World Bank, 2017). As a result of poor treatment and disposal of waste from enterprises mainly in the industrial sector, most waste is disposed on land which accounts for about 90% in uncontrolled dumpsites while the remaining 10% is not accounted for. In sub – Saharan Africa, there has been rampant use of non-renewable sources of energy as firewood constitutes use of two thirds of energy consumption hence promoting unsustainability in enterprises as outlined by Luken and Meinert (2018). A 10-year programme on sustainable green marketing practices to encourage the use of green energy in enterprises. African countries, over many years have been have been steered by global the community to conduct green industrial activities such as green marketing which aims at promoting enterprise sustainability. This is because lack of implementation of green industrial activities is expected to double the waste generation content of Africa by 2025 as stated by United Nations Statistics Division (2016).

A study conducted by United Nations Economic Commission of Africa (UNECA, 2016) shows that despite Nigeria's policy framework concerning how green marketing has played a significant role in establishing the need for energy institutional mandates, most manufacturing industries have not yet adopted fully the use of green energy. In addition a survey concerning

industrial the energy efficiency conducted in 31 developing countries including Nigeria, Ghana, and Senegal found for that only 21 potential measures were in place concerning use of green energy. Therefore creating the need for more improvement concerning efficient use of energy as most industries are seen to depend on nonrenewable sources of energy rather than renewable sources of energy such as solar, wind which are cheap and easy accessible (Widyastuti& Santoso, 2016).

Developing countries should enforce industrial zoning regulations as stipulated by a study conducted by United Nations on Trade and Development (UNCTAD, 2012). This was suggested as populations in majority of developing countries have found to be exposed to industrial pollution. Lack of confinement of industrial activity to specific geographical areas has increased pollution of the environment such as lack of treatment water plants and absence of common collection and disposal of solid and hazard wastes hence promoting pollution of natural resources such as rivers and lakes. In the aim of promoting green marketing, various government institutions have taken lead in creating awareness to various private and public sectors in the manufacturing industry. A study by Karikari (2009) shows that Ghana developed the Akoben programme to assess the environmental performance of manufacturing and mining companies in which 200 out of 500 enterprises are active participants. The Environment Protection Agency in Ghana provides permits to a limited number of 300 enterprises as opposed to the estimated population of 600 medium enterprises available in Ghana as stipulated by the study conducted by Altenburg and Assmann (2017)

According to Oketola and Obisanjo, (2009), government institutions in Africa should impose selective import bans of resource inefficient dirty technologies that are responsible for promoting pollution of the environment due to lack of proper mechanisms that encourage green industrial activity by manufacturing firms. In order to strengthen the necessary capacities for enhancing the green industry, a framework of the programme of action for a Green Economy in 2015 was initiated in Senegal in which a report was developed to summarize the recommendations needed to steer the Senegal government in promoting green marketing in enterprises such as promotion of use of renewable sources of raw material, use of waste water treatment plants that prohibit pollution of water resources. A partnership with the Upgrading Office, a programme for upgrading green marketing activities was implemented, while evaluation of the “Plan Senegal



Emergent” which the Senegal’s framework document for development was initiated with the aim of addressing the challenges of green marketing and enterprise sustainability as outlined by Luken and Meinert (2018).

### **2.1.2.1 Green Marketing Initiatives In Africa**

Switch Africa Green Programme was initiated by the European Commission and implemented by United Nations Economic Commission of Africa (UNECA, 2016) in Burkina Faso, Ethiopia, Ghana, Kenya, Mauritius, South Africa and Uganda so as to promote green economic growth that requires adoption of green marketing patterns in the manufacturing sector. The programme encourages the use of biogas technology, green manufacturing and recycling of waste products, green manufacturing among other green practices.

Uganda in conjunction with Environmental Health and Pollution Management Program in Africa started project services to encourage green financing, development of green policies and standards on products, eco-entrepreneurship and innovation solutions steered at promoting enterprise sustainability through adoption of green industrial practices (World Bank, 2017).

The Statistical Service and National Energy Commission in Ghana collects timely economic, environmental and energy use data to identify promising sectors in different types of small, medium and large enterprises to improve efficient use of resources such as raw materials, energy among others to enhance sustainability of firms (Luken & Clarence 2017).

### **2.1.3 Green marketing and Enterprise Sustainability in Kenya.**

A study conducted by Ojung’a, (2007), showed that there are a lot of green marketing strategies have been adopted by the Kenyan Government with the aim of promoting green marketing in manufacturing firms. The Ministry of National Environment Management Authority (NEMA, 2017) clearly stated that, ‘production of polythene bags is banned in Kenya and only bags are allowed to be used for carrying of items in marketplaces places such supermarkets and even in the streets. Lack of adherence to this law will attract a fine to business enterprises and also to individuals.’ While the Ministry of Water and Natural Resources seconded this fact by stating that ‘we completely support NEMA’s initiative on the ban of plastic bags as they have caused a lot of pollution to Kenya’s Natural Resources such as rivers, streams among others’ (Gicharu, 2018).

The government of Kenya requires all businesses to follow government regulations laid out concerning manufacturing processes. Lack of adherence to such laws may lead to revocation of industrial licenses (Mungeria, 2014) Such laws will involve getting commodities to be approved by KEBS which is Kenya Bureau of Standards so as to ascertain that the quality of the product being sold by the manufacturer is according to environmental and social standards in that they do not harm the or interfere with the health of the consumers or their lives rather they make their lives better by meeting the needs and wants of the society at large as outlined in the study by Garg (2015). Hence it's a requirement that all manufacturers' commodities have a mandatory KEBS symbol or stamp on them as it helps in standardization of commodities. This is in accordance with section 10 of the Standards Act Cap 496 under the Laws of Kenya .Organizations should first fulfill quality requirements in order to be possess the standardization mark. Afterwards, to acknowledge that a particular commodity is in line with the requirements, a permit is given to use the symbol (Oburu, 2010).

International Standard Organization (ISO) is a body responsible for setting out the requirements concerning business management and environmental regulations in relation to products and services and processes. It certifies that companies have met all the requirements of an efficient management system, manufacturing process, service or documentation process and procedure necessary for standardization and quality assurance (Gicharu, 2018)There are various types of ISO Certificates that can be improvised depending on your need or the message you want to pass across to the public; for example ISO 9001:2015 is used to show that the firm's products constantly meet quality management standards in addition to customer and regulatory requirements as stated by Sustainable Development Solutions Network (2017).

Moreover other studies have been conducted by various scholars with the aim of creating awareness concerning green marketing in different sectors of the economy such as United Nations Industrial Development Organization (UNIDO, 2017) which have investigated how green marketing can be executed and realized that it contributes immensely sustainable development and poverty eradication as the health and social well-being of people is improved in that people are able to engage in business activities that promote green marketing and enable them to earn a living. Other researchers such as Kinoti (2017) investigated the relationship between green marketing and consumer behaviour in the manufacturing sector using Coca Cola

as a case study and noted that green marketing has a positive impact on consumer behaviour. Oburu (2010) who investigated in the green marketing practices in mobile sector in Kenya and realized a large number of mobile service providers have encompassed green marketing.

### **2.1.3.1 Green marketing initiatives in Kenya**

In the aim of promoting consumption of green energy, Safaricom has plans to use power cubes hybrid energy system instead of diesel that promotes pollution of the environment. Other organizations that have implemented green marketing strategies include Mumias Sugar which embarked on the “green project” which involves the use a natural industrial waste product called bagasse to produce biogas to generate electricity. Moreover, in order to earn company revenue and carbon credits, it sells one third of its electricity to the national grid. The organization has also installed scrubbers on the plant boiler that filter air emissions with the aim of preventing air pollution (Akumu, 2014).

Many Kenyan companies are involved forest conservation as they purchase tree seedlings from farmers and distributes them to schools such as Kenya Electricity Generating Company (KenGen), Total Kenya with the aim of planting more than 100 million trees per year promoting forest conservation which is the main home of wildlife. The seedlings are of indigenous species which can withstand arid and semi-arid conditions and about 600 of them to schools are distributed by companies so as to encourage forest conservation in such areas. In addition, Kenya Airways is involved in the Kasigau Corridor Reduced Emissions from Deforestation and Degradation (REDD) that seeks to protect over 500,000 acres of forest coverage (Garg, 2015)

In order to reduce pollution of environment from plastic bags, it is now illegal in Kenya to package products in plastic paper bags hence all buyers are required to carry their own bags as the go for shopping in supermarkets, malls among other enterprises. This was officially made law by NEMA (2017) as one of methods in combating pollution.

There are also SMEs that have adopted green marketing in conduction of their business activities, such as a small industrial port in Kenya located in Kisumu as confirmed by a study conducted by Sustainable Development Solutions Network (2017). The SME is owned by Owino who has embarked on starting his own business and creates shoes, jackets among other products

from fish waste. He was one of the benefiteres of the UNEP programme. He produces leather shoes, jackets among other products from fish waste. Recently, he has started using papaya extract to make leather softeners, bleaching agents and dyes which has attracted to foreign investor who was impressed by his green business initiate and wanted to invest in his business.

### **2.1.3.2 Green Marketing Programme in Chandaria Industries Limited**

From the tissue manufacturing process, the following green marketing practices were established that are in relation to Chandaria green marketing programme. They include;

The company buys the waste paper from Kenyan waste paper collectors and distributors (East African Magazine 2001, pg. 6).The use of 100% recycled paper as raw material not only preserves the environment but also reduces production costs this because the before trees are turned into pulp, the undergoes a series of processes such as removal of the outer layer, chipping and cooking that involves removal of moisture from the wood which entails a lot of energy for running of machines not to mention the process is tedious and long (Towers,2009).

Quality control is achieved in various ways such as; temperature control is done in the pressing stage where the paper is passed in the heated roller (Yankee) to remove moisture. In addition there is constant checking of gauges, machinery and processes to enhance the production process of green products (Green growth report, 2011pg.6). This process also involves careful monitoring of chemicals used in the pulping process. Completed paper is tested for a variety of qualities, including stretch, opacity, moisture content, smoothness and color while maintaining high hygiene conditions in production and packaging processes (RECP, 2008). Thus quality of the product is enhanced up to the last stage of the production process.

Waste and emissions are minimized by use of alternative bleaching methods, this is because they reduces dioxin which is a byproduct which is hazardous to the environment (Towers, 2009).

Reusing treated water from the plant reduces pollution of the environment as it facilitates efficient resource use, improved environmental performance and cost reduction (Green, growth report, 2010 pg.4).

The company implements ‘no and low cost investment options’ such as sub-metering of electricity and water consumption, process monitoring, preventive maintenance program; that increases the productive use of natural resources and fosters safe and responsible production to increase efficiency (RECP,2008).

## **2.2 Factors that influence adoption of green marketing model**

### **2.2.1 Environmental Protection Regulation**

Many global environmental laws and policies have been formulated with the aim of protecting natural resources, improve the health of consumers while making manufacturing firms take environmental accountability for illegal production of products, waste and gas emissions into the environment.

In order to curb such illegal processes, the Government of Kenya has clearly stipulated amounts of waste and gas emissions that aren’t allowed to be emitted during the production process in manufacturing firms more so issuance of industrial licenses that are needed in conducting industrial activities. Lack of meeting such requirements can hinder business operations hence many manufacturing firms have to adhere to green marketing practices outlined in environmental laws such as ban of plastic bags by NEMA (2017) so as to keep their businesses aloof. Despite the harsh actions to be taken by government outlined in environmental regulations, there are some laws steer the government to give incentives to manufacturing firms that use sources of energy and natural resources optimally.

### **2.2.2 Consumer Behaviour**

Today’s consumers are very cautious about the organizations that they buy products from and the products that they sell to potential customers. Consumer’s cautiousness in demand for green products is influenced by a variety of factors such as green pricing, loyalty towards the product, product specifications, and green marketing knowledge among others (Widyastuti & Santoso, 2016). Previous studies conducted in the USA tend to show that most consumers prefer green products that are environmentally friendly and that are sold by organizations that have a good corporate image when it comes to not only environmental but also social and economic matters (Caprita, 2015). In order to embrace such demands, companies are adopting green marketing and incorporating it as one of their objectives so as to attract a large customer base, and maintain a

good corporate by engaging in corporate social activities that give back to the society such as donations to the poor, cleaning activities of the environment such as clearing of trenches, tree planting among others (Stanley,1996).

### **2.2.3 Cost Efficiency**

It's every business owner's dream to conduct business activities at the lowest cost possible so as to earn more profit, while having a large customer base and reducing environmental impact that may hinder the wellness of human beings (Bansal, 2000). Manufacturing firms incur various costs in terms of raw materials, running of machines that basically depend on fossil fuels, cost of treatment of waste not to mention transportation costs involved in distribution of products to consumers (Barton, 2007). As a sustainable cost effective measure, manufacturing firms are urged to adopt green marketing which spearheads the use of raw materials that are biodegradable, recycling of waste to make limited products or generate energy, use of renewable sources of energy such as solar and wind that is cheap and easy available among others (Yang and Chen, 2011). Lack of such practices reduces the profit margin of the firm, and will end up creating a negative corporate image to the society that may reduce the customer base in the long run (Chen *et.al.*, 2006)

### **2.2.4 Competitive Advantage**

All manufacturing firms strive to stand out as the best performing in the business sector. This key objective entails manufacturing firms to come up with unique production processes, activities and products that aren't yet adopted by its competitors and are aimed at safeguarding the environment (Cooper, 2004) Therefore in order to gain competitive advantage, companies are adopting the green marketing strategy so as to not only achieve profits, but maintain the environment and improve the health of the community or society at large (Yang ad Chen, 2011). Green marketing will improvise green technology, green sources of energy among other practices which are still dormant in the manufacturing as most still depend on unsustainable practices such as use non-renewable sources of energy for example, fossil fuel which is quite expensive (Chen *et.al.*, 2006). Use of green marketing practices enhances the sustainability of the business as it enables manufacturing firms to meet the needs of future generations without destroying the environment and stay ahead of other competitors as they will be able to penetrate many markets.

## **2.3 Building environmental aspects into product design, price, place (distribution) and promotion**

The conventional approach to marketing that involves incorporation of the 4Ps is rapidly being adopted by green marketers. It is usually referred to as the marketing mix as it builds environmental aspects into the 4Ps; product, price place and promotion (Kumar and Ghodeswar,2015). The first concept of the 4Ps was initiated by Rasmussen as a concept based on a set of models and after 1960s, it was later improved by Kotler, P. to a research field and established a theoretical ground (Hakansson and Waluszewsk, 2005). The marketing mix was developed so as to allow products to penetrate successfully into the market, fit in line with customer needs and wants, meet environmental laws and enhance better organizational performance. Over period of time, a firm has various objectives and goals, and thereby comes up with relevant green marketing strategies in line with the issue at hand (Alam *et.al* 2012). When there is need to meet future developments of the market, the marketing mix will be incorporated by a firm taking into account sustainability to solve issues which are long term and don't interfere with future generations (Kinoti,2011). The following are various green marketing strategies that a firm can adopt in line with green marketing so as to facilitate sustainability of the enterprise.

### **2.3.1 Green washing**

It refers to the adoption of outwardly green acts by industries with a sole purpose to gain more profit. Its primary objective is to portray to customers a picture that the organization is taking all the essential steps in managing its ecological footprint while in reality little or nothing significant is being executed by the company (Polonsky, 2001). Jay Westerveld was the first environmentalist use the term green washing when he was objecting to the practice of a hotelier putting notices in hotel rooms requesting towels to be reused by guests to “save the environment”. He pointed out the hotelier's interest was encouraged by the need for saving costs as opposed to the environment as there was little to imply that the hotelier's were actually focused on environmental impact reduction. Green washing may appear inexpensive, convenient and fast but can cost a company's hard earned reputation and potentially its profits. For example the car manufacturing giant Volkswagen installed a “defeat device in its diesel vehicles, to curb pollution from emissions, the US Environmental Protection Agency discovered that it was a

scam to cheat on the amount of emissions. As a result of this unethical practice cost Volkswagen USD 18.28 billion as well as trust of the consumers. Legitimate green marketing is the way to go to avoid such costs (Crane, 2000)

### **2.3.2 Green Product**

It is developed in line with the requirements of the customers who prefer environmentally friendly products. Such products can be produced from recycled materials thereby reducing water, energy and other natural resources required in production processes and hence reduces pollution on the environment (Kumar, 2015). At the beginning of New Product Development companies should consider negative effects of their products because insufficient production processes and poor designing of products establish attributes of a product which if not given close attention can cause negative impact not only to potential consumers but also the company image. A product should therefore hold a distinguished position in the buying and selling process by going green (Dibb *et.al*, 2005)

### **2.3.3 Green Price**

Consumers today are willing to pay a small premium for the green products only if the design, function, and packaging among others are in line with environmental concerns. Pricing may become a cause of concern when it comes to selling the product in the market, as its manufacturing may be expensive due to new technology involved. This is because the technology will need to be one that aims at safeguarding the environment from pollution (Greenwood, 2007)

### **2.3.4 Green Place (Distribution)**

This element of the marketing mix deals with how to handle distance (Hakansson, 2005). During transport, green distribution strategies are implemented to minimize green emissions. Retailers play essential roles in this regard. They mostly share the responsibility for the manufacturers' claims about their products (Solaiman *et al.*, 2015; Foster, 2013). Working with channel partners to come up with arrangements of product reuse or disposal and making sure return of recyclable materials by customers are two essential ways that companies could apply in implementing green distribution (Eneizan *et al.*, 2015).



### **2.3.5 Green Promotion**

It facilitates interaction with consumers and enables the position of the product to be distinguished in the market. Different promotion tools are used to create knowledge and awareness on the benefits of green products (Carter and Rogers, 2008). Potential clients are sensitized on issues concerning use of sale promotions direct marketing, public relations and advertising (Ottman, 2003). The perception concerning green commodities by consumers is modified. A primary issue in this regard is the use of related terms that may be confusing to consumers (Luo, 2009). In order to make their products more appealing, firms should develop strategies that will help potential users to comprehend the terms (Coddington, 1993).

## **2.4 General strategies**

They are not restricted to marketing discipline but they cut across the whole organization. However, they are very important in ensuring adoption or success of green marketing mix strategies. (Ottman, 2011).

### **2.4.1 Eco-marketing orientation as a business philosophy**

This strategy implies that enterprise sustainability in green marketing involves reorganization, restructuring and redesigning of many processes and systems within the organization. In that all employees are incorporated in all functional areas including marketing, production, procurement, accounting and information systems (Polonsky, 2001).

### **2.4.2 Government intervention strategies**

In order to achieve environmental sound production and consumption practices, government must guide the market (Sarkar, 2012). Government can intervene in green marketing through: formulation, adoption and regulation of policies that protect environment, organization and consumer concerns. Government can participate in procurement, research and international cooperation so as to aid in development of better innovative business solutions that enterprise sustainability (Rosch, 2008).

### **2.4.3 Lifecycle Analysis**

It was initially developed in 1970 and involves listing both positive and negative aspects of a specific product throughout its lifecycle (Ottman, 1998). Various aspects such as; raw materials procurement, packaging, distribution, use and disposal are assessed to establish their environmental impact. The information gathered from this analysis is used by marketers to adjust

production processes and products making them more environmentally friendly. Despite it having good benefits, this analysis is quite expensive and difficult (Kottler, 2004).

#### **2.4.4 Stakeholder engagement**

According to Luo (2009), there is a requirement of different societal stakeholders to pool together their collective skills, capabilities and resources as organizations alone cannot solve complex environmental problems such as those dealing with sustainability. Stakeholders' engagement can be spearheaded through the following strategies; The stakeholders/marketers should create strategic partnerships or coalitions with general public, employees, retailers, suppliers, environmental groups, educators and government (Ottman, 1998). The government should go beyond what is expected by being proactive, commitment should start from of the organization the most senior person (CEO) to all the others below him or her in the organizational structure. (Mwirigi, 2007). Employees can be empowered through thought – provoking educational programs on ecological issues. Learning and refining products and processes should be constantly integrated and lastly, environmental performance should be regularly reported through annual reports and special advertising and public relation efforts (Ottman, 2011).

### **2.5 Components of Enterprise Sustainability**

Enterprise sustainability is a major concern for countless number of manufacturing industries. The most effective efforts at achieving enterprise sustainability starts from taking a holistic approach. This will involve achieving economic, social and environmental performance of the organization so as to meet the needs of future generations. Otherwise lack of a comprehensive transformation in the entire business processes and activities will make the company's efforts futile in achieving sustainability. This is because, if one of the three aspects for example economic performance is achieved at the expense of social and environmental performance, enterprise sustainability will be hindered in the long term. (Sirvastava, 2004).

#### **2.5.1 Economic Performance**

Economic performance refers to upgrading of the processes, procedures and outputs including indicators of increase in market share, increase in profits, competitive advantage of the firm, quality of products, flexibility, time, innovation capacity of the firm among others (Peattie,2012).

It's every business owner's dream to conduct business activities at the lowest cost possible so as to earn more profit, while having a large customer base compared to its competitors and reducing environmental impact that may hinder the wellness of human beings. Therefore as an initial step in achieving sustainability, an organization can adopt green marketing so as to look for raw materials that take into account economic, social and environmental benefits before commencing the production process (Rosch, 2008) The materials sourced should be sustainable in that they should reduce depletion of natural resources, acquired at low costs and minimize carbon emissions that are harmful to human wellness (Cheng and Shiu, 2012) If the material is not sustainable, it will require a lot of energy in processing it to a finished product which translates to high costs incurred by the organization in the manufacturing process. These high costs will therefore reduce the profit margin, and will end up creating a negative corporate image to the society that may reduce the customer base in the long run. Hence, the source and type of raw material is very significant to the economic performance of the organization.

Economic performance can also be achieved through having a high competitive advantage over your competitors (Rao and Holt, 2005). This can be improvised through production processes which embrace prevention of waste, reduction of costs, minimal health risks while maintaining a good environmental corporate image. An efficient green marketing system entails taking into account a hierarchy of treatment options starting with prevention, control and recycling of waste (Sharma *et.al* 2011). Strategies to prevent waste are used where waste is first generated to make it more cost effective and easy to dispose of. The waste that has not been disposed is recovered and recycled into energy or used to create limited by products (Eneizan, 2015).

Many global supply chain operations depend on fossil fuels that facilitate global warming and air pollution through carbon emissions and greenhouse gases (Garg, 2015). Green marketing calls for energy efficiency which embraces the use green energy or nonrenewable sources of energy such as solar, wind among others so as to reduce greenhouse gas emissions that interfere with the health of human beings impact negatively on the environment not to mention fossil fuels are expensive hence high costs incurred by the organization (Solaiman *et.al.*, 2015). To reduce costs of electric power; solar panels, skylight panels, energy efficient LED lights can be improvised in the warehouses. Alternative means of transport that are more ecofriendly should be used in the transport sector such as electric delivery vans, electric bikes among others hence reducing carbon

emissions and congestion of roads by trucks (Kirgiz, 2016). Constant use of such practices reduces production costs, increase the profit margin of the firm and establishes sustainability of manufacturing firms.

### **2.5.2 Social Performance**

This will entail maintenance of good relations with stakeholders such as employees, consumers and society at large so as to enhance corporate image of the organization (Mwirigi, 2007). A company's reputation on societal issues is important as it lures pressure groups like regulatory bodies, nonprofit organizations, suppliers among others. Hence, various stakeholders should be involved in decision making in striving to achieve affordable products that are environmentally friendly and cost effective to the society (Kottler, 2004). In the long run, sustainable strategies such as green marketing enhance the welfare of people as it equips workers with additional skills through training, encourages products to be produced in line with customer's needs and wants, motivates workers to be innovative as they improve on existing products, better image brands, and increases loyal and fulfilled customers. Moreover, the social pillar on a global scale, endorses low labor turnover, safe working environments and surroundings as waste management is enhanced, and production of green products is done in accordance to the needs and wants of customers (Foster, 2013) This will encourage customers to continuously develop a favoring attitude towards the company and its brands , increase the purchase of green products and in the end will constantly prone manufacturing firms to be more mindful to the community's needs so as to increase their sales margin and overall, achieve enterprise sustainability (Clarkson, 1995)

### **2.5.3 Environmental Performance**

It refers to the means and ways used by manufacturing firms to combat environmental issues so as to protect the environment from destruction, most especially one that may arise from climate change as a result of use of unsustainable business practices. Most modern means of transport contribute to greenhouse gas emissions by burning of fossil fuels more so when used over long distances (Alam *et. al.* 2012). Green marketing that endorses green supply chain calls for the use of transport systems that improvise alternative fuels or renewable sources of energy and establishment of localized supplier manufacturer and consumer relationships to reduce the amount greenhouse emission that negatively impacts humans and the environment at large (Dallas, 2008). Through route optimization, the most appropriate route is used by trucks and

shippers hence reducing miles and emission of carbon gases from fossil fuels which is very essential in combating climate change (Akumu, 2014)

Environmental performance can also be achieved through reverse logistics which is also referred to as a closed - loop system which involves return of defective or recycled materials to the organization for repurposing to a new product or waste. In reverse logistics system, items are collected from many different geographical locations and taken to a central location where they undergo a series of processes which will involve testing, inspecting, sorting, and grading (Eneizan *et.al*, 2015). Afterwards the items will be reused or recycled, those of no value will be disposed off in a landfill or by other methods of disposal. The process of reverse logistics can be done by the original manufacturer or a third party logistics (3PIL) company. Reverse logistics is performed in five stages; suppliers, manufacturers, centers of distribution, customers, and recyclers. This system helps in adding value to the organization as waste is managed and minimized which is very crucial in protecting the environment and achieving enterprise sustainability (Kirgiz, 2016).

Moreover strategies for monitoring production processes are implemented to reduce dioxin gases such as nitrogen oxides and hydrogen chlorides, acid gases and dust emissions. Such emissions can be monitored through use of end of pipe treatment technology which will enable discharge of emissions at rates that are acceptable within government regulations. This is one of the concepts that appeal to many customers and will therefore enhance constant protection of natural resources so as to achieve enterprise sustainability (Foster, 2013).

## **2.6 Designing, implementing and operating effective green marketing systems: opportunities and challenges**

### **2.6.1 Opportunities in green marketing**

#### **2.6.1.1 Competitive Advantage**

In order to stand out in a very competitive world, firms are engaging in intense activities that can facilitate increasing the market share by accessing new markets, creating new green products are more environmentally friendly to protect the environment from depletion, not to mention, appeal to many customers among other advantages (Frederick, 2008). Due to this intense activities, businesses need to be more proactive and keep up with new changes in the business sector and one

of those changes involves keeping in touch on what is new in the green marketing world so as to get an upper edge against other business which attracts a large customer base (Barney,1991).

#### **2.6.1.2 Corporate Social Responsibility (CSR)**

Enterprises should not only aim at achieving profits but also respond to the society's needs by incorporating societal issues into their objectives, mission, visions among others business slogans (McDougall,1993). The company can adopt green marketing to meet customers' needs through production of green products that not only save the environment but also satisfy customers. Customers can also be made to feel part of the enterprise by being involved in decision making in enterprises as they are allowed to give their opinions concerning new product developments among other issues (Kweyu, 1993).

#### **2.6.1.3 Government Regulation**

Government formulates laws and regulations with the aim of protecting both producers and consumers and also the environment (Barton, 2007). Such policies if implemented ensure that business processes and activities do not pollute the environment, that customers are given a platform to voice their concerns involving products if indeed the customers' needs aren't met (Pathak, 2017). In addition, through these policies, potential businesses owners are given opportunities to start up enterprises and provide products and services to the society that do not interfere with the natural habitat (UN Global Compact,2008). Hence an opportunity to conserve the environment from destruction, pollution among other damages. Strictness is emphasized by government while imposing such rules so that those found going against them face very tough repercussions such as closure of business activity (Mc Dougall, 1993)

#### **2.6.1.4 Technology Innovation**

Firms earn profit from cost effective processes and activities which involve utilization of renewable energy in running of machines and use of recyclable material (Barton,2007).Such green marketing practices reduce cost of production as use of recyclable material is readily available compared to other raw materials. In addition, use of renewable energy such as solar, wind among others reduces costs incurred in running machines as it is cheap compared to non-renewable energy sources such as petroleum (Mydock *et.al* ,2017)The less costs incurred during production the more profit is made in the long haul hence facilitating enterprise sustainability.

### **2.6.1.5 Stakeholder Partnerships**

Stakeholder partnerships enable businesses to acquire resources such as raw materials, advanced technology, increase workforce and implement new business strategies that facilitate growth and reduce risks (Yoon, 2009). Therefore, the more stakeholders a company has, the more capital investment it is able to get to meet its needs and the more modern plans they are able to execute to adapt to change for the business environment keeps on changing from time to time. (Steer, 1996).

### **2.6.1.6 Environmental Responsiveness**

Environmental pollution increased rapidly throughout the industrialization period causing a great reaction which was born against products hazardous to the environment (Sarkar, 2012). When the harmful contents of a product was realized as one of the factors that affect the purchase decisions of consumers, businesses implemented environmental concerns in production and manufactured environmentally friendly or in other words green products accompanied with green product policies (Stanely *et.al*,1996).

## **2.6.2 Challenges in the practice of Green Marketing**

### **2.6.2.1 Need for standardization of the products**

According to Sakar (2012), regulatory bodies are needed to give, labels, certifications, licenses among other necessities, as proof of authenticity in the greenness of a product. This will ensure consumers are protected from false green marketing campaigns geared towards luring people to purchase products that are not fit to be environmentally friendly (Zhu &Sarkis, 2004)

### **2.6.2.2 New concept**

Green marketing is still regarded as a foreign terminology as not everyone is aware of it especially those living in the rural community (Ottman, 2003). Therefore, there is need to create awareness on green marketing, green products and environmental threats so as to understand the importance of these concept. This will remove negative perceptions about organizations that practice green marketing and be inclined to purchase green products.

### **2.6.2.3 Long gestation period requires patience and perseverance**

It has been noted that the inventers and corporate need to view the environment as a long-term investment opportunity. This is because the projects that incorporate ‘Green Marketing’ have a

long-gestation period. Therefore a lot of patience is needed to achieve pleasant results (Peattie, 1992)

#### **2.6.2.4 Avoiding green myopia**

Green marketing must achieve two objectives: better environmental quality and satisfaction of customers. Green marketing myopia is when one of these objectives is misjudged or overemphasized at the expense of the latter (Kotler, 2006). It can also occur when environmental benefits from green products are not credible and substantive (Kelly, 2008). Research establishes that majority of green products have not succeeded because green marketers have paid a lot of attention on the greenness of the product while they have neglected key players in the industry such as consumers, regulatory bodies, activists among others (Elsayed and Paton, 2005)

#### **2.6.2.5 Lack of financial incentives**

Other challenges, in line with green marketing is when products that are green need cost effective renewable and recyclable material. This spearheads the need for modern technology which again results in additional costs for Research and Development which are usually quite high. Innovations in financial instruments have not kept pace with green marketing technology innovation (Greenwood, 2007) Thus, renewable energy investments should be incorporated into Kenya's green marketing strategy. Private sector partners in the renewable energy sector support the idea of innovative financing mechanisms to cover the start-up costs of major investments and make small-scale renewable technologies affordable for the people. Financing lending programs need to be initiated to help major investors cover the financing gap for renewable energy and help consumers afford the higher upfront costs for greener technologies that facilitate green marketing compared to conventional ones is needed.(Anand, 2014).

#### **2.6.2.6 Lack of factual information**

Despite environmental disasters media coverage, there is still less coverage of green marketing solutions that steer enterprise sustainability. Consumer outreach campaigns will need to be coordinated to create awareness concerning green marketing to a larger public audience and share successful green stories via the media (Friedman. 2012). Thus the media therefore should increase its level of involvement in spreading green success stories that promote enterprise sustainability through green marketing to encourage private sector leadership and consumer awareness.



### **2.6.2.7 Lack of pro-activeness**

Another challenge facing the green marketing firm is being proactive (Ottman, 1998). Recent history has indicated that many innovative companies usually reap the most benefits, and those with radical rethinking products and processes will be the leaders of the future. More importantly, businesses face the credibility challenge by possessing a good environmental track record and by paying attention to details such as the use of recycled materials (Mydock *et.al.*,2017). Leaders therefore should take risks such as spearheading breakthrough in environmental technology or encourage their companies to initiate signing of voluntary environmental codes that enhance the corporate image of the company and thus gain the consumer trust. This is because much of the demand will increase as a result of regulations such as producer responsibility, product take-back and recycling schemes innovations for green products.

### **2.6.2.8 Poor enforcement environmental regulations**

There is inadequate enforcement of current environmental regulations despite the government's efforts in Kenya, in creating an enabling policy environment for green marketing. To facilitate enterprise sustainability, there are a variety of unaddressed issues (Obuya, 2003). These include development of an essential policy framework to facilitate green marketing; revisions to policies of energy to enable new (small scale) technologies to engage in energy markets; increased regulation on existing natural resource policies to develop new markets; and appropriate enforcement of quality standards for green technologies. Kotler (2004) identifies other factors as regulations and policies varying from one country to another thus making it difficult for regional and global monitoring. Of recent years, these laws are now in the increase giving a very big challenge to green marketers to keep pace with their enactment. Related to this are those environmental factors that vary from region to region that motivate consumers in different ways (Kotler and Gay, 2004).

## **2.7 Theoretical/Conceptual framework**

### **2.7.1 Resource-based view theory**

According to Barney1991, the resource-based view, companies gain competitive advantage over their competitors due to their own heterogeneous resources. These resources are usually characterized as rare, valuable, non-substitutable and imperfectly imitable. Firms tend to adopt new distinctive resources and capabilities when they face problems such as environmental

constraints (Hart, 1995). Due to these capabilities/resources, companies are able to handle environmental pressures more effectively through development of new and flexible strategies that will result into sustainable competitiveness. Following Hart's 1995 approach, possession of green marketing as a competitive strategy enables the organizations to aim at various dimensions of economic, social and environmental performance which if all are achieved result into sustainability of the firm.

### **2.7.2 Tripple Bottom Line theory**

Sustainability incorporates a holistic approach through the integration of three dimensions; environment, society and economy. This can be looked at in two different ways. First, the three columns of responsibility must be kept separate, with results reported independently for each. That is, the firm first has to achieve economic performance, social performance and environmental performance. Second, the company should achieve sustainable results in all of the three areas.

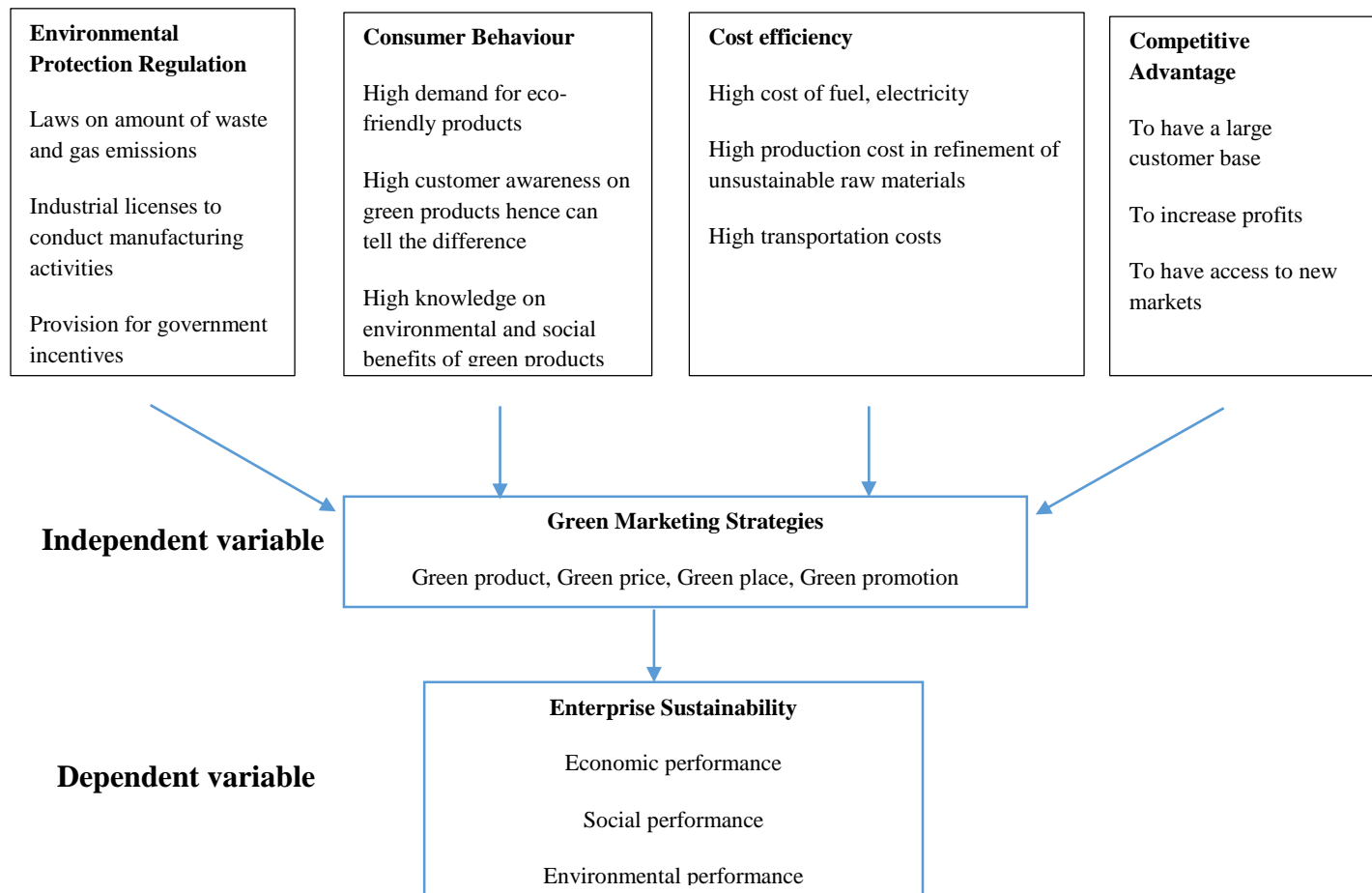
The notion of sustainability is very specific. Where ethics and economics intersect, the long-term maintenance of balance (sustainability) is achieved. Theorist John Elkington (1997), has shown that this is how sustainability is achieved economically, socially, and environmentally

Triple Bottom Line, achieves sustainability only when it focuses on economic aspects without interfering with environmental and societal issues. In order to survive, an organization that is stable should create levels of economic performance that are approved. It should also grow the social performance in line with its interaction with customers, suppliers, consumers and other interest groups (Friedman, 2012) In addition, the firm should also aim to succeed in invention of environmental performance throughout the supply cycle from raw material procurement to post-consumption disposal (Baker&Hart,2008). Hence sustainability is seen as a process in which organizations strive for continuous improvement towards the three dimensions of the Triple Bottom Line. Therefore, these three aspects of sustainability; economic, social, and environmental are necessary for establishing enterprise sustainability.

Both theories are used in the study with the resource based theory emphasizing the need of rare resource that is valuable to an organization and in this case the resource is green marketing

strategy that is improvised by CIL to achieve a competitive advantage over its competitors. In the case of triple bottom line theory, the study aims to look at how the green marketing strategy which is the resource is used to achieve economic, social and environmental performance in order to achieve enterprise sustainability. As lack of achievement of one of this aspects, hinders sustainability of the enterprise.

### 2.7.3 Conceptual Framework



**Figure 2.1 Conceptual framework**

**Source: Author (2020)**

Figure 2.1 above shows how various factors are taken into consideration when adopting the green marketing model. These include Environmental Protection Regulation, Consumer Behaviour, Cost Efficiency and Competitive Advantage. Afterwards, the organization such as Chandaria Industries Limited adopts a green marketing programme comprising of various green

marketing strategies such as Green product, Green price, Green place and Green promotion. Later these green marketing strategies which represent the independent variable are analyzed to ensure that they have achieved enterprise sustainability which is the dependent variable. If the green marketing strategies address all the components of enterprise sustainability with positive impact, without any compromise of social, economic or environmental performance then enterprise sustainability is achieved.

#### **2.7.4 Knowledge gaps and focus of the study**

Many studies reviewed by the researcher have failed to indicate how green marketing can translate to enterprise sustainability. Assessment of the impact of green marketing has mostly targeted consumers, whose concerns have always been put up front in terms of price, quality, and awareness levels while other entities such as the supplier and the environment have not been thoroughly looked into. Moreover there is trivial information on how green marketing plans can be applied to ensure economic, social and environmental performance are all achieved at once without the exception of the other. In addition, there is under-reported evidence on the problems encountered when executing green marketing to achieve sustainability within a firm. Therefore, due to these factors, this made it imperative to carry out this study on green marketing and show how it facilitates enterprise sustainability where Chandaria Tissue Manufacturing Industry was used as a case study.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.0 Introduction

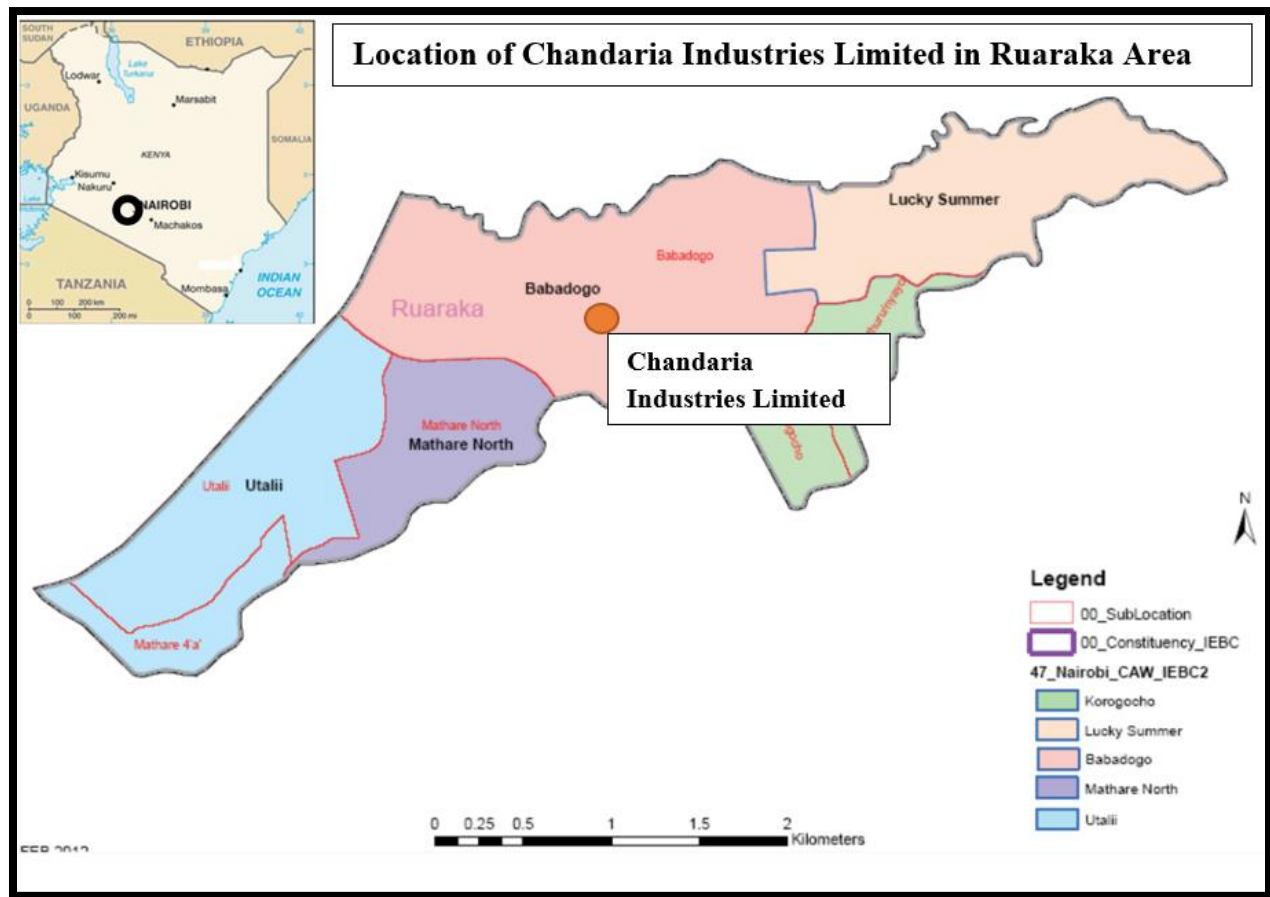
This chapter presents the methodology of research which contains: study area, research design, study population and sample, sampling procedure, improving reliability and validity, methods of data collection, data analysis and research limitations of the study.

#### 3.1 Study Area

The study was carried out at Chandaria Industries Limited located in Nairobi County which has an altitude of 1670m (5500ft) and cool warm climate. The cold season is usually experienced in June and July, long rains from March to July and grass rains from October to December (Obuya, 2003). Nairobi is the second largest city of the African Great Lakes and is growing at a rate of 4% annually due to the numerous number of birth rates and immigrants who come to Nairobi searching for employment opportunities and thus, its urban population has 4.4 million and is expected to reach 5 million in 2025 as stated by Kenya National Bureau of Statistics in 2019. It is a diverse city as it comprises of Kenyans, Asians, Somalis and Europeans hence the different cultures in food, music among others that enhance unity among these people. Nairobi is one of Africa's largest stock exchanges as it is the headquarters of international companies such as IBM, Coca – Cola and home to the Nairobi National Park which is one of Kenya's main tourist destinations (Ojung'a, 2007).

CIL is located along Baba Dogo Road in Ruaraka Constituency which has an area of 7.2km square and a population of 192,600. CIL was chosen because it's one of the largest tissue manufacturer's in Kenya hence a good representative of other manufacturing companies. Thus, will provide a holistic point of view of the type of green marketing practices that are being undertaken by other manufacturing companies. This study area is located in Nairobi therefore was easily accessible to the researcher. Apart from CIL, the researcher also assessed the area where the raw materials for the industry are gotten from, and consumers were selected randomly

in Ruaraka area.



**Figure 3.1 Map of Chandaria Industries Limited**

**Source: IEBC (2012) and Author (2020)**

### **3.2 Research Design**

This study adopted a case study design in addressing the research problem. Case studies are based on an in-depth investigation of a single individual or event to establish the causes of underlying principles. They create a holistic review and offer the opportunity for a researcher to use range of tools on one subject (Sekran, 2011). This gave time and space to establish a detailed comprehension of the topic, thus created a sound platform from which the factors affecting the case study were identified in great detail. In addition, a range of perspectives were established as opposed to the single view of an individual interview (Mugenda, 2008).

Descriptive survey was also embraced as it is known to be a means of collecting data through questionnaires or conducting interviews to a sample of individuals in the target population (Orodho, 2003). The method is scientific as it involved not influencing a subject as you look at it and describe its behaviour. It is also used by market researchers to judge the habits of customers, or by companies. According to Sekran & Bougie (2011) descriptive study is done so as to ascertain and facilitate description of the characteristics of the variable in question.

Descriptive study is known to have various benefits such as; it aids in systematic thinking concerning aspects in a given scenario in addition one gets to know the features of a group in a given situation Sekran & Bougie (2011).

### **3.3 Study population and sample**

#### **3.3.1 Target population**

It is the number of individuals, a researcher is interested in describing and making statistical inferences about (Mugenda, 2008). The study targeted Chandaria Industries as a case study through purposive sampling because the study focused on manufacturing firms. The target population comprised of employees, distributors and consumers. It also targeted the staff of Chandaria Industries at two levels namely management staff and non-management personnel from the following departments; Finance, Marketing, Operations, Quality Control, and Transport. The study also incorporated government officials from NEMA, Ministry of Trade, Industry and Cooperatives and also Ministry of Environment and Natural Resources. From Chandaria's 2015 report the company has 100 main distributors and 100 company's staff with relevant functions. Making the total population to be 200 workers (Kamunye, 2017).

#### **3.3.2 Sampling Procedure**

##### **3.3.2.1 Sample size**

According to (Cohen *et.al* 2000, p.93), a sample size should not be less than 30. However, if the sample size increases beyond 300, diminishing returns will be obtained. The study had a sample were of 30 respondents who comprised of employees with five from management level and twenty five from other departments. Sixty seven respondents constituted the company's sample size of distributors and thirty were direct consumers of products making the total population to be a hundred and twenty seven from which inferences derived. Three government officials; each

from NEMA, Ministry of Trade, Industry and Cooperatives and also Ministry of Environment and Natural Resources were also interviewed as key informants.

Yamane sample size formula

$$n = N / (1 + Ne^2)$$

n is sample size

N is population size

e is Margin of error (MOE)

Note: confidence level is 90% hence e = 0.1

$$n = 200 / (1 + 200 (0.1^2))$$

n =67 (sample of distributors)

Sample of workers - 30

Sample of distributors - 67

Sample of consumers of products - 30

**Total - 127**

**Table 3.1: Sample Size Distribution**

Category	Frequency	Percentage
Management	5	4
Production Department staff	5	4
Finance Department staff	5	4
Marketing Department staff	5	4
Quality Control Department staff	5	4
Transport Department	5	4
Distributors	67	53
Consumers of products	30	33
<b>Total Population</b>	<b>127</b>	<b>100</b>

Source: Primary Data (2020)



### **3.3.2.2 Selection of sample**

Stratified random sampling method was utilized in which the respondents were stratified according to their position in the chain of distribution before they were randomly selected for the interview. Five employees were selected from each department; production, finance, marketing, quality control and transport. The study will also selected one manager from each department; Head of Finance, Marketing, Production, Quality Control and Transport in CIL who represented the key informants in the study. They were selected as they were the main custodians of crucial information such as market size and financial records which is significant for the study (Fathi, ESE and Goh, 2011). According to Mason (2010) a small sample key informant is appropriate hence a sample size of the five managers and three government officials each from NEMA, Ministry of Trade, Industry and Cooperatives and also Ministry of Environment and Natural Resources were used for the key informant interview. A sample of 30 consumers were selected randomly to represent the customer base of the company for the study.

### **3.4 Improving validity and reliability of the study**

Somekh and Cathy (2005) describe validity as the degree through which the sample of test items represents the content that the test is designed to measure. The researcher sought the opinions of experts in the field of study especially the lecturers in the departments of business and environmental studies in order to validate the research instrument.

Content validity of the data collected was enhanced to enable the research instrument to be revised and modified. The use of uniform testing procedures to test different sample of individuals increases reliability by including many items on a measure Kothari (2011). A pilot group of 15 individuals was selected by the researcher from the target population to test the reliability of the research instruments. The researcher issued questionnaires to the respondents through an informal self-introduction in conjunction with a questionnaire forwarding letter and an introduction letter from the University. Follow ups were made and the researcher then collected fully completed questionnaires from the respondents. The researcher designed the questionnaire based on the research objectives and a pilot test that was conducted to aid in identifying weaknesses in design and instrumentation and to provide proxy data for selection of a probability sample. Despite the pilot data not being included in the actual study, enabled questions to be revised before they were issued to the selected sample.

Internal consistency techniques were applied using Cronbach's Alpha to test the reliability of the instruments. The alpha value ranges between 0 and 1 in which the higher the value, the higher the reliability. According to (Mugenda, 2008), the most popular accepted rule of thumb shows acceptable reliability as coefficient of 0.6-0.7 while good reliability as coefficient of 0.8 or higher.

### **3.5 Methods of Data Collection**

Primary and secondary data were utilized in the study to address the research objectives.

Secondary data was acquired from publications, journals and articles linked to the research topic while primary data was obtained by use of questionnaires which consisted of questions designed to collect data in relation to the research objectives.

The researcher collected primary data by using questionnaires, which is a set of questions, given to the respondents within the sample population. The questionnaires were administered to four sets of respondents; management staff, employees of the company, consumers and government officials.

#### **3.5.1 Interviews with Employees of Chandaria Industries**

The researcher asked employees questions related to how manufacturing operations promote greening of products and what green practices are done during the manufacturing process. These employees were from Finance, Marketing, Production, Quality Control and Transport Departments.

#### **3.5.2 Key Informant Interviews with Management**

The study used the following as key informants will include the Head of Finance, Marketing and Production, Quality Control and Transport in CIL. They were interviewed as the main custodians of the study for they held crucial information such as financial records among others. For example; company's performance, the level of customers' satisfaction, the types of green marketing systems and benefits and challenges faced with managing the system among others.

#### **3.5.3 Interviews with Consumers of Chandaria Products**

Consumers in the research represented the company's customer base. The researcher asked them questions related to determine if their needs have been met through green marketing.

### **3.5.4 Key Informant Interviews with Government Officials**

The researcher interviewed government officials from NEMA; Ministry of Industry, Trade and Cooperatives and Ministry of Environment and Natural Resources. They were asked questions related to policies that support green marketing; whether regulators like NEMA consider green marketing when rating enterprises or in annual environmental reports among others.

### **3.5.5 Observations**

The study used participant and non-participant approach to observe whether the following are green: product design, employee behavior, packaging, transport, storage, design of marketing materials, among others. The researcher observed how are they were done to safeguard the environment from pollution and if they met the customers' needs.

### **3.5.6 Questionnaire**

The questionnaires had open and closed- ended questions; the tool was selected so as to collect numerous information over a short period of time and since it was cheap and easy to administer. The questionnaire was also suitable due to it being standard. In case of the close ended questions, a five-point Likert type scale with ranks from 1 (Strongly disagree) to 5 (Strongly agree) were used for all the constructs with 5 being the strongest or highest. Each respondent was able to express their opinions through open ended questions in the questionnaire.

## **3.6 Methods of Data Analysis**

### **3.6.1 Development of a dataset edit and data entry**

The primary data was collected, summarized, coded, tabulated and then analyzed using descriptive statistics such as mean and frequency distribution. In order to obtain frequencies, means, and percentages of the responses, the Statistical Package for Social Sciences program was utilized. Such frequencies and percentages were improvised in drawing graphs and charts. Information acquired from key informants was analyzed through Quantitative Content Analysis in order to comprehend social reality in a subjective and scientific manner (Kothari, 2011).

### **3.6.2 Descriptive statistics and data visualization**

In order to describe the major features of the data in a study or survey, descriptive statistics was improvised to simplify summaries concerning the sample data. This was done in conjunction with

simple graphics analysis which forms the basis of virtually every quantitative analysis and involved measures of central tendency such as means and standard deviations (Trochim, 2006).

To enable the findings of the research to have a visual impression that is clear at a glance, tables and charts were improvised when presenting the results.

### 3.6.3 Inferential statistics (hypothesis testing)

Inferential statistics enabled the researcher to draw conclusions based on the data. The researcher used simple linear regression analysis to measure the relationship between variables and establish strength of linear association between the variables, improvising a 95% confidence level.

**Table 3.2 Hypothesis testing**

Hypothesis	Statistical Test	Justification
Green marketing positively influences enterprise sustainability	Regression Analysis	Reject Ho if $p \leq 0.05$ otherwise fail to reject Ho if $p \geq 0.05$

**Source: Primary Data (2020)**

Enterprise Sustainability was predicted using the following general model:

$$y = a + bx + e$$

$$ES = a + b(GM) + e$$

ES = Enterprise Sustainability

a = constant

b = beta coefficients

x = dimensions of green marketing practices

e = margin of error

### **3.7 Research Limitations**

The stratified sampling proposed was to have 127 respondents in which 30 respondents comprised of employees with 5 from management level and 25 from other departments that is Production, Quality Control, Finance, Marketing and Transport. While 67 respondents constituted the company's sample size of distributors and 30 were direct consumers of products. Three government officials; each from NEMA, Ministry of Trade, Industry and Cooperatives and also Ministry of Environment and Natural Resources were to be interviewed as key informants. However, the study was able to sample 80 respondents and due to the Coronavirus of 2019 (COVID - 19) outbreak, face to face interviews especially with the employees was limited as the researcher was requested to observe strict COVID – 19 guidelines such as wearing of the mask at all times and maintaining a distance of 1.5 m. As a result of the pandemic, most workers were working on shifts and not on a daily basis as usual hence the number of workers reporting to the factory was limited due to the distance that had to maintained between employees so as not to contaminate the virus. As for the consumers, I had to carry around a sanitizer, wear a mask at all times and even give away free new pens so as to limit contamination of spreading the virus as most of them were quite reluctant in filling in the questionnaire for fear of getting the virus. The key informant and managerial staff interviews were conducted on appointments as they were not always in office due to their busy schedules and the interviews were done on strict COVID - 19 guidelines.

**Table 3.3 Data needs matrix**

<b>Objectives</b>	<b>Variables</b>	<b>Data collection method</b>	<b>Data Analysis</b>	<b>Data Presentation</b>
<p>Determine the factors that an enterprise should consider when adopting green marketing</p>	<p><b>Environmental Protection Regulation</b></p> <ul style="list-style-type: none"> <li>• Laws on amount of waste and gas emissions</li> <li>• Industrial licenses to conduct manufacturing activities</li> <li>• Provision for government incentives</li> </ul> <p><b>Consumer Behaviour</b></p> <ul style="list-style-type: none"> <li>• High demand for eco friendly products</li> <li>• High customer awareness on green products hence can tell the difference</li> <li>• High knowledge on environmental and social benefits of green products</li> </ul> <p><b>Cost efficiency</b></p> <ul style="list-style-type: none"> <li>• High cost of fuel, electricity</li> <li>• High production cost in refinement of unsustainable raw materials</li> <li>• High transportation costs</li> </ul> <p><b>Competitive Advantage</b></p> <ul style="list-style-type: none"> <li>• Increase in market share</li> </ul>	<p>Questionnaire Interviews Photography</p>	<p>Descriptive statistics  (frequency, mean, percentages, standard deviation)</p>	<p>Tables, Graphs  Photos</p>

	<ul style="list-style-type: none"> <li>• Increase in profitability</li> </ul>			
<p>Establish green marketing strategies adopted by Chandaria Tissue Manufacturing Industry</p>	<p><b>Green product</b></p> <ul style="list-style-type: none"> <li>• Meets law requirements</li> <li>• Packaging is reusable</li> <li>• Has good quality</li> <li>• Doesn't pollute the environment</li> </ul> <p><b>Green price</b></p> <ul style="list-style-type: none"> <li>• A portion of the price goes to a worthy environmental cause</li> <li>• Affordable</li> <li>• Customer don't mind paying extra for green products</li> <li>• Product has visual appeal hence justifies the price</li> </ul> <p><b>Green place</b></p> <ul style="list-style-type: none"> <li>• Means of transport reduces pollution</li> <li>• Use of renewable sources of energy</li> <li>• Has reverse channel system for return of</li> <li>• recyclable goods</li> </ul> <p><b>Green promotion</b></p> <ul style="list-style-type: none"> <li>• It depicts environmental concern</li> <li>• Promotion tools e.g posters are made of recyclable materials</li> </ul>	<p>Observation Interviews with employees Photography</p>	<p>Descriptive statistics (frequency, mean, percentages, standard deviation)</p>	<p>Tables, Graphs Photos</p>

	<ul style="list-style-type: none"> <li>• Participation of corporate social responsibility</li> </ul>			
<p>Establish enterprise sustainability components that have been achieved through green marketing in Chandaria Tissue Manufacturing Industry</p>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li>• Raw materials used are renewable or biodegradable</li> <li>• Presence of waste and minimization mechanisms</li> <li>• Recycling of waste to generate energy or creating by products</li> <li>• Use of renewable sources of energy</li> </ul> <p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Training of workers</li> <li>• Presence of social programs</li> <li>• Improved employee and community health</li> <li>• Production of economical, affordable and environmental products</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Presence of cleaner production processes</li> <li>• Presence of reverse logistics</li> <li>• Use of alternative sources of fuel</li> <li>• Presence of monitoring mechanisms of waste emitted and energy used</li> </ul>	<p>Questionnaire</p> <p>Interviews</p> <p>Photography</p>	<p>Descriptive statistics (frequency, mean, percentages, standard deviation)</p>	<p>Tables, Graphs</p>



<p>Establish the opportunities and challenges in adopting green marketing to promote enterprise sustainability in Chandaria Tissue Manufacturing Industry</p>	<ul style="list-style-type: none"> <li>• Government Incentives</li> <li>• Stakeholder partnerships</li> <li>• Technology innovation</li> </ul>	<p>Key Informant Interviews with government officials and managers</p> <p>Questionnaire</p>	<p>Descriptive statistics (frequency, mean, percentages, standard deviation)</p>	<p>Tables, Graphs</p>
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**Source: Primary Data (2020)**

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSION**

#### **4.0 Introduction**

This chapter presents results and findings on socio-demographics, company details on level of awareness and implementation of green marketing concept, and the three objectives of the study; factors that an enterprise should consider when adopting green marketing, environmental aspects of product, price, place, and promotion in adopting green marketing and opportunities and challenges in adopting green marketing to promote enterprise sustainability in Chandaria Industries Limited.

#### **4.1 Respondents characteristics**

Respondents characteristics shows results concerning the response rate, designation, gender, and academic education of respondents in addition to the level of awareness and duration of the green marketing concept.

##### **4.1.1 Response Rate**

Table 4.3 shows the response rate that was calculated on the basis of the primary data collected where 127 questionnaires distributed. Only 80 out of the 127 questionnaires were duly filled. Mugenda and Mugenda (2008) asserts that a response rate of 50% is adequate for analysis and reporting a rate of 60% is generally good, while Kothari (2011) adds that a response rate of above 70% is deemed to be very good. Based on these assertions, the response rate of 63% was generally good and increased the confidence for generalization.

**Table 4.1 Response Rate Analysis**

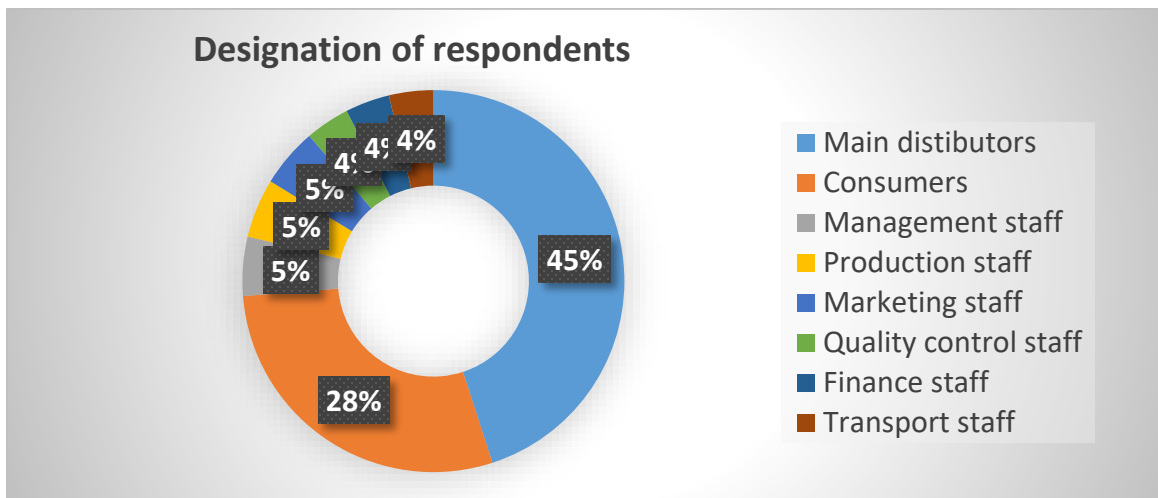
<b>Category</b>	<b>Target Response</b>	<b>Response</b>	<b>Response Rate</b>
Management Staff	5	4	80
Production staff	5	4	80
Quality control staff	5	3	60
Transport staff	5	3	60
Finance staff	5	3	60
Marketing staff	5	4	80
Main Distributors	67	36	54
Consumers	30	23	77
<b>Total</b>	<b>127</b>	<b>80</b>	<b>63</b>

**Source: Primary Data (2020)**

The results show that response rate was made up of the different categories of people and that the management, production and marketing staff of CIL were more willing to participate in the study and provide information as they had reported the highest response rate.

**4.1.2 Designation of respondents**

Figure 4.1 shows the designation of respondents where 21 were workers, 36 main distributors and 23 consumers. In addition, 5% of the respondents were management staff, 5% production staff, 5% marketing staff, 4% quality control staff, 4% transport staff, 4% finance staff, 28% consumers and 45% were distributors.



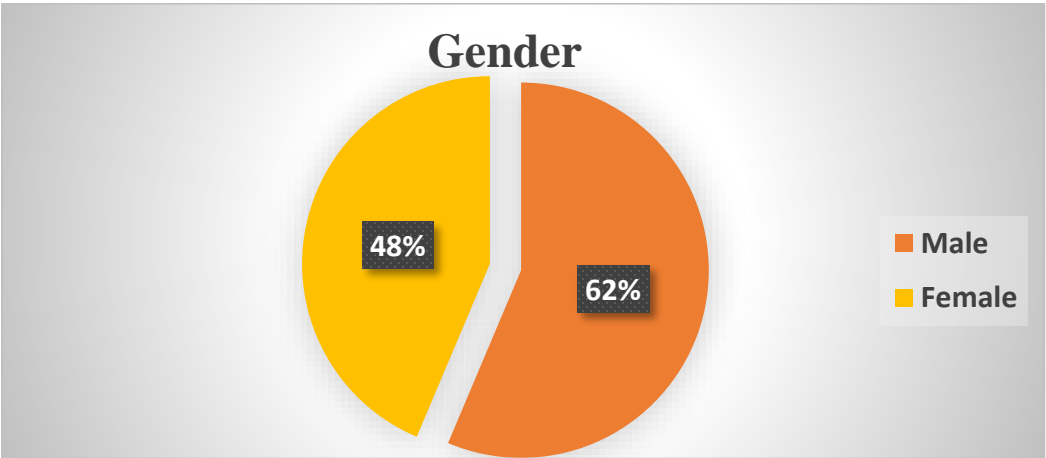
**Fig 4.1 Designation of Respondents**

**Primary Data (2020)**

The results show that the most respondents were distributors, followed by consumers then CIL staff. It is safe to say that CIL has various types of workers who perform a variety of roles in the organization. Responses from all these people gave a more in depth knowledge concerning their contribution towards green marketing as different sectors in the organization were assessed through these workers.

### 4.1.3 Gender of Respondents

Figure 4.2 shows the gender distribution of the study where 62% were male and 48% were female.



**Figure 4.2 Gender of Respondents**

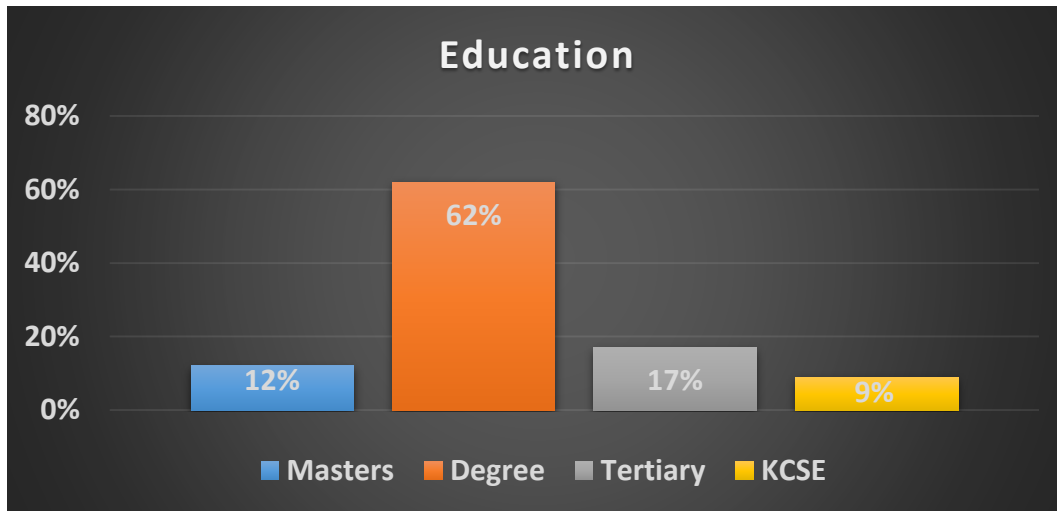
**Source: Primary Data (2020)**

The results show that majority of the respondents were male thereby confirming that CIL has more male workers compared to female. This is consistent with Friedman (2012) assertion that males are more employed in the manufacturing sector in Africa compared to females. This statement is in line with Altenburg and Assmann (2017) who stated that there are some tedious jobs that are more suitable for males in the manufacturing business such as lifting of boxes, loading of trucks with goods, moving of heavy machinery and prolonged working long working hours to distribute goods in areas of long distances which appeals more to the male workers than the female. As a result, female workers are limited in certain types of work due to family responsibilities among other reasons as was stated by Fredrick (2008).

Therefore this shows that CIL is flexible and able to employ male workers to work at odd hours so as to increase output or meet demand whenever the need may arise.

#### 4.1.4 Academic education of respondents

Figure 4.3 shows the different academic education levels of respondents where 12% of the respondents were graduates, 62% were undergraduates, 17% had tertiary level of education, while 9% had KCSE. The high number of undergraduates indicates that most respondents had a high level of understanding concerning the questions in the study.



**Figure 4.3 Academic education of respondents**

**Source: Primary Data (2020)**

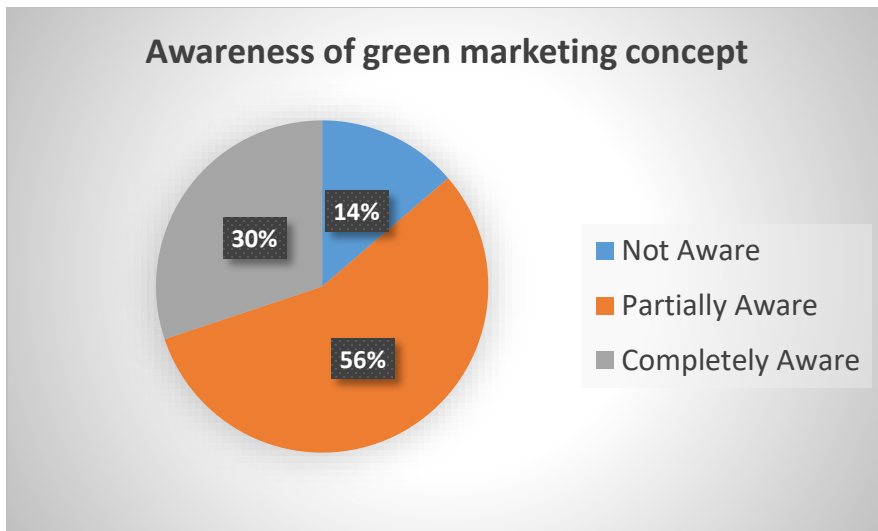
The results show that the majority of CIL workers have undergraduate education, followed by tertiary, masters then KCSE respectively.

This confirms that most respondents had a high level of understanding and were able to answer the questions without any issues. This is in line with Caprita (2015) and Arundel (2009) who when measuring eco-innovation found out that the manufacturing sector holds a large number of highly educated workers who have vast knowledge in innovation and problem solving ideas.

Therefore this shows that high level of educated workers can come in handy when CIL looks into adopting new manufacturing and marketing systems as the employees will take a short time to be accustomed them.

#### 4.1.5 Awareness about green marketing concept

Table 4.2 shows the level of awareness of the respondents on the green marketing concept where 14% were not aware, 56% were partially aware while 30% were completely aware



**Figure 4.4 Awareness of green marketing concept**

**Source: Primary Data (2020)**

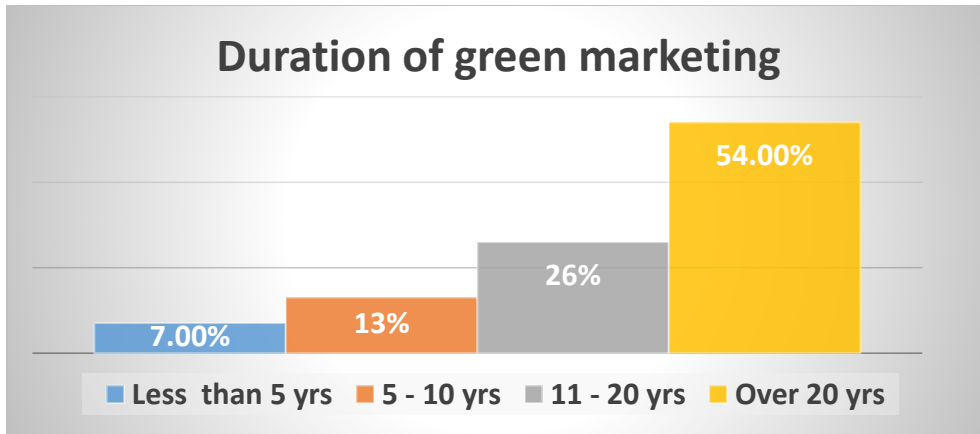
The results show that most respondents were partially aware, of the green marketing concept while very few were not aware. Since more respondents were partially aware compared to those completely aware.

This indicated that more needs to be done concerning knowledge sensitization on green marketing so that more people are completely aware. This is line with (Oburu, 2010) who stated lack of factual information has prevented the execution of green marketing as some people have mixed ideas about it.

Therefore, CIL can still put more effort in educating its employees and customers concerning green marketing through trainings, workshops, corporate social responsibilities among other activities. This will enhance the performance of workers when it comes to the execution of the green marketing plan.

#### **4.1.6 Duration of green marketing**

Figure 4.5 show the duration of green marketing in CIL where; 7% respondents agree that the Chandaria Industries Limited started green marketing less than 5years ago, 13% agree that the company started green marketing 5 – 10 years ago, 26% agree that the company started green



**Figure 4.5 Duration of green marketing**

**Source: Primary Data (2020)**

The results show that that majority of the respondents agree that the company has been practicing green marketing hence the company has an increased focus on green marketing practices.

The duration of green marketing indicated the period that the organization has managed to reap the benefits of green marketing. This is in line with corporate sustainability theory that states that companies that incorporate sustainable businesses practices are able to reap countless of benefits over a long period of time such as improved brand image, cost reduction, happier shareholders, environmental sustainability among others.

Therefore, CIL has managed to incorporate green marketing strategy and realize its benefits for a long period of time since it's a long term investment.

## **4.2 Statistical Assumption Tests**

### **4.2.1 Normality Test**

Data has to be normally distributed for regression analysis to be performed (Field, 2014). As a result, Shapiro-Wilk's normality test showed that green marketing and enterprise sustainability data was normally distributed as they had p values of 0.05 and above.

**Table 4.2 Shapiro Wilk's Test**

<b>Description</b>	<b>Statistic</b>	<b>df</b>	<b>Sig.</b>
Green marketing	0.956	80	0.06
Enterprise sustainability	0.961	80	0.06

**Source: Primary Data (2020)**

The result shows that the data for both green marketing and enterprise sustainability were normally distributed. Therefore this enabled the researcher to apply different calculations that help in estimation of means such as use of the t test and linear regression.

#### **4.2.2 Linearity Test**

A linear relationship is assumed to exist between independent and dependent variables for the execution of regression analysis. The linearity in the study was confirmed through scatter plots which indicated that enterprise sustainability as the dependent variable had a linear relationship with green marketing as the independent variable.

Therefore the researcher was able to establish the relationship between green marketing and enterprise sustainability through the application of regression analysis and obtain an easy interpretation of the result.

#### **4.2.3 Reliability Test**

Cronbach's alpha test was improvised to test the reliability of the dimensions of green marketing and enterprise sustainability. In overall, 30 items were used in a 5 likert-type scale to represent these dimensions. The Cronbach's alpha values for each dimension was recorded as illustrated in Table 4.3 and were assessed to determine their consistency and reliability. The overall Cronbach's alpha value was 0.880 which was above 0.6 that is considered to be acceptable and it was higher than 0.8 which indicated a very high level of reliability of the questionnaire.



**Table 4.3 Cronbach's Alpha Test**

<b>Dimensions</b>	<b>No. of items</b>	<b>Cronbach's Alpha Coefficient</b>
<b>Green marketing</b>	<b>18</b>	<b>0.866</b>
<b>Enterprise sustainability</b>	<b>12</b>	<b>0.840</b>
<b>Overall reliability</b>	<b>30</b>	<b>0.880</b>

**Source: Primary Data (2020)**

The result shows that items used in the questionnaire were reliable. This therefore indicates that researcher was able to get valid and consistent results that enhanced the accuracy of the findings.

#### **4.3 Factors influencing an enterprise to adopt a green marketing model**

These are circumstances or facts that can lead an organization to implement a green marketing model. Table 4.4 shows the important factors that CIL considered when adopting a green marketing model. Environmental Protection Regulation had 3.37 mean, consumer behaviour 3.59 mean, cost efficiency 3.7 mean and competitive advantage 4.32 mean.

**Table 4.4 Important Influencers to adoption of a green marketing model at CIL**

<b>ENVIRONMENTAL PROTECTION REGULATION</b>	<b>Mean</b>	<b>SD</b>
1) There are environmental laws and policies that govern manufacturing firms processes and activities with the aim of protecting natural resources	3.27	2.23
2) There are clearly stipulated laws on legal amounts of emissions of waste and gas so as to combat pollution	3.38	2.05
3) Lack of adherence to such laws can lead to revoking of industrial licenses	3.81	0.97
4) Provision of government incentives for optimal use of energy and resources	3.05	2.17
<b>Overall Mean</b>	<b>3.37</b>	
<b>CONSUMER BEHAVIOUR</b>		
1) Consumers are more cautious of the products that they buy due to green pricing, product specifications and green marketing knowledge	4.29	0.92

2) Consumers mostly prefer green products that are more environmentally friendly	3.43	0.87
3) Consumers prefer products from companies with a good corporate image	3.39	0.83
4) Manufacturing firms are engaging in corporate social activities to attract a large customer base	3.30	0.95
<b>Overall Mean</b>	<b>3.59</b>	
<b>COST EFFICIENCY</b>		
1) To reduce high costs incurred due to use non-renewable sources of energy such as fossil fuels and encourage use of green energy	3.07	0.75
2) To reduce high costs incurred due to use of non-renewable sources of raw material and encourage use of recycling raw materials	4.21	0.25
3) To reduce high cost in waste treatment and encourage use of waste to generate energy	3.83	0.93
<b>Overall Mean</b>	<b>3.70</b>	
<b>COMPETITIVE ADVANTAGE</b>		
1) Green products are more environmental friendly hence attract more customers	4.28	0.31
2) Green products have a large customer base hence the company can make more profit	4.37	0.57
3) Green marketing allows businesses to penetrate into markets that haven't been accessed by its competitors	4.31	0.53
<b>Overall Mean</b>	<b>4.32</b>	

**Source (Primary Data 2020)**

The results of the study show that competitive pressure had the highest mean indicating it as the most influential factor for adoption of green marketing followed by cost efficiency, consumer behaviour and environmental protection regulation respectively. In general these results mean that all the four factors bear great importance to Chandaria's green marketing agenda.

Competitive pressure indicated how the company pays keen interest in increasing its market share as it penetrates into new markets. This result is consistent with Carter (2000) who found that many

companies have managed to expand their horizons after having made competitive advantage as one of their objectives. Since green marketing appeals to many people, an organization that adopts it will be able to sell its products to regions where its competitors have not yet reached as stated by Mendleson (2006).

Cost Efficiency was the second preferred factor, this can be attributed to the fact that 'CIL is still working at reducing production costs as we still have plans to use green energy in the future so as to cut down on fossil fuel consumption costs' as stated by the Production Manager. This is in line with Winston and Ryan (2008) who stated that many organizations are gearing towards production of green products so as to make cheaper goods that incur low cost in the production phase.

Consumer behaviour was also considered to be a factor, this is because most consumers prefer products that take into account their concerns in terms of value, price, quality among others. This result is in line with Anand (2014) who stated companies who engage in 24 hour customer feedback and do home delivery are able to attend to many customers needs irrespective of the time and place.

Environmental Protection Regulation was confirmed by the Quality Control Manager who stated that 'all our products are manufactured according to all environmental protocols right from the raw material up to when the finished product and also waste emissions are monitored and regulated following such rules.' This is in line with Luken and Meinert (2018) who stated that green marketing enables companies to take concern of the environment as lack of implementation of environmental rules can lead to revocation of licenses of manufacturing firms.

#### **4.4 Green marketing strategies at Chandaria Tissue Manufacturing Industry**

Green marketing strategies or plans are adopted depending on what the organizations seeks to accomplish. Table 4.5 shows the green marketing strategies that CIL has adopted in executing the green marketing agenda. Green product had 3.8 mean, green price 3.52 mean, green place 3.22 and green promotion 4.35 mean.

#### 4.5 CIL Green marketing strategies

<b>GREEN PRODUCT</b>	<b>Mean</b>	<b>SD</b>
1) Products from Chandaria are green	3.79	0.67
2) Products from Chandaria meet specifications that are required by the law	3.54	0.61
3) Product packaging is reusable/ recyclable	4.01	0.86
4) Storage of products is in a manner that quality is maintained	3.65	0.65
5) Green products in Chandaria have a large customer base	3.90	0.82
6) Production wastes do not pollute the environment	3.93	0.86
<b>Overall mean</b>	<b>3.80</b>	
<b>GREEN PRICE</b>		
1)A portion of product price goes to a worthy environmental cause	3.74	0.98
2)The products price are affordable due to the efficient costs of production	3.48	0.81
3)Customers don't mind paying extra for green products	3.18	0.87
4)Additional value like performance, design or visual appeal justifies the price of the product	3.68	0.95
<b>Overall mean</b>	<b>3.52</b>	
<b>GREEN PLACE/DISTRIBUTION</b>		
1)Location of the company is consistent with environmental laws, and values	3.53	0.67
2)Distribution strategies aim at minimizing emissions during transport	3.06	0.74
3)Use of renewable energy in transport systems	2.85	0.82
4)Presence of reverse channel system for return of recyclable materials	3.47	0.63
<b>Overall mean</b>	<b>3.22</b>	
<b>GREEN PROMOTION</b>		
1) The promotion of products depicts environmental concern	4.48	0.54

2) Promotion tools like posters, brochures and booklets are made from biodegradable and/recyclable materials	4.21	0.49
3) The company participates in corporate social responsibility activities	4.43	0.51
4) The company promotes the culture of saving energy, water and resources in its operational activities	4.31	0.45
<b>Overall Mean</b>	<b>4.35</b>	

**Source: Primary (2020)**

The results of the study show that green promotion had the highest mean followed by green product, green price and green distribution respectively. In general, all green marketing strategies were found to be implemented at CIL.

Green promotion was the most implemented strategy, this may be because it engages in intensive promotional activities with the objective of depicting environmental concern and promoting continuous production of new products that are ecofriendly and meet customers' needs during corporate social activities. This is consistent with the Marketing Manager who stated that 'Green Promotion is the highest sector that has a lot of funds channeled into it, not only to encourage increase in purchase of CIL products but also to depict environmental concern'. CIL continues to strive to be the leading, Tissue Manufacturer in the whole of Africa, and therefore it pays keen attention and detail to its product logo and symbols. This is in line with WWF (2016) who stated that CIL entered a partnership with WWF in 2016 with the aim of showing unison in protection of the environment. As a result Velvex which is one of Chandaria's best-selling products and Rosy were used in pushing the # Keep Kenya Breathing campaign. This was confirmed by the Marketing Manager who stated that 'a small amount of the proceeds gotten from the purchase of these packs containing the campaign logo are geared towards conservation of Kenya's natural resources such as forests.'



**Plate 1: WWF logo on CIL product**

**Source: Primary Data**

Green product had the second highest mean this can be attributed to the rampant use of recycled paper as raw material by the organization. This was confirmed by the Production Manager who stated that, 'Chandaria mainly improvises paper waste that is non plastic that are brought by collectors to our gates from various dumpsites all over Nairobi such as the Dandora dumpsite, waste collectors, shredded confidential statement from banks and companies. Through this process, we have saved the deforestation of over 20 million trees.' This was supported by the key informant of Ministry of Water and Natural Resources who stated that 'the utilization of waste by firms protects our natural resources such as rivers, lakes and forests from pollution for they are the homes of rare species of birds and animals.' Despite the fact that the tissue is manufactured from waste, it's still of high quality and this was confirmed by Quality Control Manager who stated that 'we accept all types of paper waste but not newspapers as they have a lot ink content which does not go well with tissues. In addition, the tissue passes through a variety of clean production processes to ensure that our products are of the highest standards.' This fact is in line with Kelly (2008) who found out that green products are safest for human consumption as they contain less chemical additions that can cause allergies compared to non-green products.



**Plate 2: Waste collectors at Dandora dumpsite collecting paper waste**



**Plate 3: Shredded confidential documents from banks and companies used as paper waste**

**Source: Primary Data (2020)**

Green pricing results show that CIL products are affordable due to efficient costs of production. This was confirmed by the Production Manager who stated that, ‘The company engages in utility pricing which involves no and low cost investment options such as sub-metering of electricity and water consumption that increases the productive use of natural resources to generate energy which increase efficiency’. The company also engages in other green pricing plans as was confirmed by the Marketing manager who stated that, ‘when introducing a new product, CIL engages in penetration pricing so as to attract customers. This helps in growing customer base of the organization and penetrating into markets where CIL products are still new.’ Moreover, there is economy pricing in which the Marketing Manager stated that ‘this involves pricing goods not for profit but rather to make them affordable for low income earners.’ This fact is in line with Eneizan (2015) who stated that green pricing ensures that all the needs of customers are met as they will be able to buy goods that are cheap and affordable even during bad economic times.

Green distribution had the least mean compared to the other strategies. This may be as a result of CIL which mostly depends on transport systems that still run on fossil fuel which is quite expensive. This was confirmed by the Transport Manager who stated that, ‘the transport systems

of CIL are of various kinds; there are saloon cars, lorries and large trucks that run on petrol and diesel and they are used to either transport raw material, finished goods or conduct corporate social activities.’ These transport systems pollute the environment as they increase greenhouse gas emissions which result to climate change in the long term thereby hampering environmental sustainability as was stated by Crane (2000). There are still few green transport systems in the country and this is one of the challenges facing green marketing. This was confirmed by Ministry of Trade, Industry and Cooperatives who stated that, ‘importation of green means of transport by companies is still low as many organizations do not want to incur extra costs at the moment despite the long term benefit.’ This fact is consistent with Anand (2014) who established that the level of adoption of green energy in most developing countries is low as most are hesitant on acquisition of green mechanisms due to the tedious procedures, documentations and taxes involved hence hindering green marketing in Africa.



**Plate 4A: Chandaria Industries Lorry**



**Plate 4B: Chandaria Industries Saloon Car**



**Plate 4 C: Chandaria Industries Trucks**

**Source: Primary Data (2020)**



#### 4.5 Achievement towards enterprise sustainability through green marketing at CIL.

Sustainability of a firm is measured using three main components namely; economic, social and environmental performance. These components are essential for they give a more in-depth insight on how businesses manage their financial, social and environmental risks to sustain profit, improve the social well-being of people and better the condition of the planet. Poor management in one these areas interferes with the equilibrium needed to attain sustainability.

Table 4.6 shows the components necessary to ensure green marketing achieves enterprise sustainability at CIL. Economic performance had 3.76 mean, social performance 3.55 mean, and environmental performance 3.37 mean.

**Table 4.6 Components of enterprise sustainability achieved through green marketing**

<b>A) Economic Performance</b>	<b>Mean</b>	<b>SD</b>
1) Increase in profitability due to green marketing	4.28	0.43
2) Increase in competitive advantage due to efficient green marketing systems	4.34	0.55
3) Increase in market share due to access to new markets	4.25	0.39
4) Use of renewable sources of energy in lighting and running of machines	2.17	0.84
<b>Overall Mean</b>	<b>3.76</b>	
<b>B) Social Performance</b>		
1) Training of workers on green marketing and involvement of workers in decision making.	2.89	0.37
2) Presence of social programs where consumers and workers are informed on the importance of green marketing and participate in social events such as tree planting	4.17	0.97
3) Green Marketing practices aim to protect the environment hence improves the lives of people	3.56	0.84
4) Green Marketing encourages production of economical, affordable and environmental products which are convenient for people	3.62	0.92
<b>Overall Mean</b>	<b>3.55</b>	
<b>C) Environmental Performance</b>		

1) Presence of cleaner production processes such as detoxification that reduce air and water pollution	3.66	0.86
2) Presence of mechanisms that allow customers/ garbage collectors to return used product packaging for recycling	3.74	0.63
3) Use of alternative sources of fuel in transport systems that is fossil fuel is replaced with green energy such as solar, wind among others	2.37	0.32
4) Presence of monitoring mechanisms to constantly reduce the quantity of waste emitted	3.89	0.59
<b>Overall Mean</b>	<b>3.37</b>	

**Source: Primary Data (2020)**

The results show that economic performance had the highest mean, followed by social then environmental performance respectively. In general, all components of enterprise sustainability were all achieved with high exceptional means indicating high level of enterprise sustainability through green marketing at CIL.

Economic performance was found to be the most accomplished component of enterprise sustainability. This was confirmed by the Marketing Manager who stated that, 'CIL has gained high profitability, high competitive advantage and high market share over many years'. The positive result from the study is in line with Mungai (2006) who stated that businesses that have managed to practice green marketing for a long period of time have been able to reap large profits.

Social performance was also attained showing that the organization is able to attend to communities concerns. This was fully supported by the Marketing Manager who stated that 'CIL provides affordable products and also engages in intense social programs such helping the needy, cleaning of the environment, tree planting among other activities'. The positive result from the study is in line with Luo and Bhattacharya (2009) who established that good relations between the organizations and the society plays a vital role in achieving good social performance as it from the society where the customers originate. This is consistent with Porter (2009) who also encouraged organizations to be mindful of the image portray to the public through their business activities as most customers will not be attracted to organizations with negative corporate images. However, the result of the study concurs with Vachon and Klassen (2006) who found no relationship between green marketing and social performance in his study concerning 'Green project partnership in the

supply chain' for the green initiative was still very new and many people had a low level of understanding concerning the concept.

Environmental performance was also achieved showing that the organization does take into consideration the impact of its business activities to the environment. This was confirmed by the Quality Control Manager who stated that 'CIL frequently monitors its waste emissions, uses clean production processes such as detoxification and reuses its waste water for energy. The positive result from the study is in line with Kirgiz (2016) who stated that implementation of environmental laws instigates pollution control which is very essential in safeguarding the health of workers from bad air pollutants that can cause breathing problems among others. This statement is consistent with Foster (2013) who recommended that organizations should incorporate environmental laws as part of their business policies so that they can be proactive to environmental problems and prevent them from taking place beforehand. Despite environmental performance being achieved, it had the least mean compared to the other components. This can be attributed to the fact that 'CIL machines run on petrol and diesel as we do not yet have machines that can run on green energy' as was stated by Production Manager.

#### **4.6 Opportunities that CIL faces in promoting enterprise sustainability**

Opportunities show the benefits that organization can be able to embrace as a result of adopting the green marketing strategy with the sole aim of achieving enterprise sustainability. These benefits can enable the organization to better its products, processes among others.

Table 4.7 shows the opportunities that CIL encountered in promoting enterprise sustainability through green marketing. They include; development of government environmental policies had a mean of 2.97, competitive advantage 3.65 mean, innovation in technology 2.95, stakeholder partnerships 3.46, corporate social responsibility 3.59 and environmental responsiveness had 3.62

**Table 4.7 Opportunities in promoting enterprise sustainability through green marketing**

<b>OPPORTUNITIES</b>	<b>Mean</b>	<b>SD</b>
1) Green Marketing provides an opportunity for government and other policy institutions to develop environmental policies in relation to green marketing.	2.97	0.58
2) Green Marketing enables companies to have a better competitive advantage over their competitors	3.65	0.93
3) Green Marketing encourages innovation in technology	2.95	0.61
4) Green Marketing encourages stakeholder partnerships	3.46	0.78
5) Green Marketing encourages corporate social responsibility	3.59	0.83
6) Green Marketing increases environmental responsiveness of businesses	3.62	0.87
<b>Overall mean</b>	<b>3.39</b>	

**Source: Primary Data (2020)**

The results show that CIL has seized various opportunities (see Table 4.7) to promote green marketing model among them. Competitive advantage was found to be the leading opportunity followed by environmental responsiveness, corporate social responsibility, stakeholder partnerships, development of government policies and technology innovation ranked respectively in that order.

The study established that green marketing can provide an opportunity for competitive advantage. This is consistent with Caprita (2015) who stated that organizations that practice green marketing tend to have a large market are able to grow and expand rapidly as they attract a large customer base. This was confirmed by the Marketing Manager who stated that ‘CIL has a very big brand recognition all over the country for it is known for its large size and unique branded products.’

The study also showed that green marketing can create an opportunity for corporate social responsibility. This is in line with Ottman (2003) who stated that companies with a green marketing model illustrate their willingness to give back to the society and it was also confirmed by the Marketing Manager who stated that, ‘CIL does this by helping the poor and participating

in cleaning activities'. Saunders (2000) also found out that firms with green marketing are able to achieve corporate social responsibilities for they instill trust, retain employees and attract willing investors who are very significant in making a business sustainable

In addition the study also revealed that green marketing provides an opportunity for stakeholder partnerships where organizations with similar objectives work together with other enterprises so as to meet customers' needs and also conserve natural resources. This was confirmed Akumu (2014) who stated that companies enter into stakeholder partnerships so as to enhance value creation of products which attract more customers. This is also in line with Solaiman (2015) who found out that customers are more drawn to businesses that unite to collect funds to preserve natural resources.

Moreover, the study also established that green marketing provides an opportunity for environmental responsiveness which indicates that the organization is interested in protecting natural resources by ensuring less waste from business processes is not emitted into the air, rivers, lakes among other resources. This goes hand in hand with Sharma (2010) who stated that organizations should implement environmental actions that safeguard the environment so as to contribute to sustainable development.

Government regulation was another opportunity that the study found could be implemented from green marketing. It entails development of green marketing laws that favor the growth of the organization. This is consistent with Karikari (2009) who stated that organizations are more willing to adhere to green marketing laws as long as they are given a platform to air their concerns in the development stage. In addition, green marketing policies takes into account the needs of customers , this is in line with (Anand, 2014) who stated that green marketing enables consumers' rights to be met as they will protected from counterfeit products that aren't ecofriendly.

Technology innovation was also another opportunity that the study showed can be achieved through green marketing. It involves the development of machinery that incurs low production costs and increases output. This is supported by Negi (2014) who stated that green technology is quite economical as it depends on renewable energy which is easily accessible. In addition, local people are encouraged to invent local machinery that will be used by small scale firms. This is

supported by Ministry of Trade, Industry and Cooperatives who stated that ‘the more we get locally manufactured machinery, the more firms will be able to afford them for the tax imposed on such goods is low.’

#### 4.7 Challenges that CIL faces in promoting enterprise sustainability

Challenges indicate the problems that an organization can encounter from implementing a green marketing strategy. Although there have been opportunities recognized from green marketing, there are also some setbacks in the implementation process that either put the plan on hold or can even dissolve it.

Table 4.8 below shows the challenges in promoting enterprise sustainability through green marketing. Lack of factual information had 3.21 mean, lack of standardization 3.16 mean, poor enforcement of environmental regulations 2.91 mean, and lack of financial incentives had 3.13 mean. The challenges had an overall mean of 3.12.

**Table 4.8 Challenges in promoting enterprise sustainability through green marketing**

<b>CHALLENGES</b>	<b>Mean</b>	<b>SD</b>
1) Lack of factual information about green marketing hence negative perception from potential	3.21	0.78
2) Lack of standardization of green products	3.16	0.71
3) There’s poor enforcement of environmental regulations on Green Marketing	2.91	0.52
4) Lack of financial incentives to fund companies to implement green strategies	3.13	0.69
<b>Overall Mean</b>	<b>3.12</b>	

**Source: Primary Data (2020)**

The results show that CIL has encountered some challenges in the execution of the green marketing plan indicating that they have experienced some difficult situations.

One of the challenges the study established was lack of financial incentive for most organizations cannot meet their business needs in terms of resources. This is supported by De Sousa (2010) who stated that many organizations lack capital as they have not found investors and partners who are ready to help them fully embark on green technology.’ This is also in line with Elsayed and Paton (2005) who also found out that businesses lack capital for green marketing as they are afraid of borrowing from financial lending programs that lend money at high interest rates.

The study also established there is still lack of standardization of products in the green marketing industry. This is consistent with the key informant of Ministry Trade, Industry and Cooperatives who stated that ‘we receive numerous complaints from manufacturers who claim that their customers were duped with fake products that used their brand name to make sales.’ This is also in line with Dallas (2008) who stated that manufacturers should take keen interest in maintaining consistency of their products appearance and quality so as to protect their loyal customers from being misled.

In addition the study revealed there’s still poor enforcement of government regulations regarding green models. This is in line with the Ministry of Trade, Industry and Cooperatives who stated that ‘there is a huge demand for green products in the country but few organizations have managed to adopt green marketing.’ This is also consistent with the key informant of NEMA who stated that ‘there are a lot of businesses but most lack pollution controls and cleaner production processes.’

Moreover the study also established that there’s lack of factual information on green marketing. This is in line with Oketola and Osibanjo (2009) who stated that ‘most customers living in rural areas have a negative perception towards green marketing for they have little knowledge.’ This is also consistent with Chan (2013) who found out that customers not aware of green marketing, are quite hesitant to purchase green products which results to low sales.

#### **4.8 Analysis of Hypothesis**

Regression Analysis technique was used because it is simple, easy to interpret and allowed the researcher to establish the variables that are more statistically significant from those that are not and how they influence each other. It was applied to test the hypothesis which sought to establish whether green marketing has a positive relationship with enterprise sustainability. Green

marketing which was the independent variable was measured using indicators such as Green product, Green Price, Green Place/distribution and Green Promotion. While enterprise sustainability which was regarded as the dependent variable was measured using three major indicators which were Economic, Social and Environmental Performance. Failure to achieve one of these indicators would signify lack of enterprise sustainability despite achievement of one or two of the indicators.

**Ho: Green marketing positively influences enterprise sustainability**

Table 4.9 shows that the test Green Marketing had a positive linear relationship with economic performance (F=11.844, sig=0.001) social performance (F=10.976, sig=0.002) and environmental performance (F=9.862, sig=0.002).

**Table 4.9 Relationship between Green Marketing and Enterprise Sustainability**

Independent Variable	Dependent Variable (Enterprise Sustainability)								
	Economic Performance			Social Performance			Environmental Performance		
	Beta	t	sig.	Beta	t	sig.	Beta	t	sig.
<b>Green Marketing</b>	.432	3.441	.001	.421	3.312	.002	.418	3.294	.002
<b>R Square</b>	.186			.174			.166		
<b>Adjusted R. Square</b>	.172			.160			.148		
<b>F</b>	11.844			10.976			9.862		
<b>sig.</b>	.001			.002			.002		

Level of significance was 0.05

**Source: Primary Data (2020)**

The results show that positive significant effects of green marketing were established on all components of enterprise sustainability namely; economic, social and environmental performance for they reported p levels less than 0.05. In addition the study findings showed that green marketing had explanatory power on enterprise sustainability as 18.6% of the variance in economic performance (R= 0.186), 17.4% of the variance in social performance (R= 0.174) and



16.1 % of the variance in environmental performance ( $R = 0.161$ ) can be explained by green marketing.

Table 4.10 shows the coefficients and significant levels of the relationship between green marketing and enterprise sustainability. Enterprise sustainability had a coefficient of 4.275 and enterprise sustainability had a coefficient of 0.208

**Table 4.10 Coefficients with regard to the relationship between Green Marketing and Enterprise Sustainability**

<b>Model</b>	<b>Coefficients (B)</b>	<b>Std. Error</b>	<b>Beta</b>	<b>T</b>	<b>Sig</b>
<b>Constant</b>	4.275	3.63		3.335	.001
<b>Green marketing</b>	.208	1.77	0.413	3.217	.002

Level of significance was 0.05

**Source: Primary Data (2020)**

The simple linear regression model was found to predict enterprise sustainability for one standard deviation improvement in green marketing was expressed as:

$$y = a + bx + e$$

$$ES = 4.275 + 0.208 (GM) + e$$

Where: ES = Enterprise sustainability

GM = Green Marketing

e = marginal error

From the regression equation above, holding other factors constant, a one standard deviation improvement in green marketing would raise the level of enterprise sustainability by a factor of approximately 0.208 beta.

From the results of the hypothesis test, we fail to reject the null hypothesis test and conclude that green marketing bears a strong positive influence on enterprise sustainability. The study result shows that CIL looks into the concerns of the supplier, consumer and environment to avoid being bias. The result is consistent with the green economy theory that states that for an economy to be

become green, businesses functions should advance and sustain economic and environmental growth in addition improve the social wellbeing of people as this facilitates sustainability.

## CHAPTER FIVE

### SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Summary of findings

This chapter outlines the summary of findings in accordance to the study objectives, conclusions and recommendations of the study. The recommendations were obtained from the findings and conclusions.

##### 5.1.1 Influential factors to adoption of a green marketing model

According to the study, before implementing a green marketing plan an organization can take into account various factors such as competitive advantage which is in line with Chandaria's vision which states 'To be the leading Tissue & Hygiene products manufacturer in Africa'. The study finding is consistent with Foster (2013) who stated that firms should always strive to better themselves and incorporate competitive objectives so as to always stay at the top. An enterprise can also consider cost efficiency due to high cost of fuel and electricity incurred during production. The study finding is in line with Mydock (2017) who stated that green energy decreases production costs which enables the producer to sell products at a low cost that captures many customers. Environmental Regulation was also found to be another factor as it regards policies on waste and gas emissions. The study finding is consistent with Baker and Hart (2008) who stated that such laws enable the government to punish those who treat the environment poorly through fines, revocation of industrial licenses, jail time among others. Moreover consumer behavior was still found to be a considerable factor due to high demand for ecofriendly products. The study finding is in line with (Kirgiz, 2016; Widyastuti & Santoso, 2016) who pointed out that consumers attitude determines the production rate and sales of products. In general, all the four factors were found to be important when choosing a green marketing model.

##### 5.1.2 Executed green marketing plans at CIL

According to the findings of the study, there are various green marketing plans an organization can embark on. One is green promotion where CIL changed its of brand logos to WWF to assist in conservation of Kenya's natural resources such as forests. The study finding in line with (Caprita, 2015; Wood, 2008) who stated that green promotion creates a perfect mix for

maximization of profits and environmental management as consumers are more loyal to companies that not only have a strong brand image but also show environmental responsibility. We also have the green product plan where CIL products are made from paper waste. The study finding is in relation to Alfuqaha and Alsaifi (2015) who stated that use of biodegradable paper enhances the relationship of the product and its biophysical environment as it reduces pollution and increases conservation of scarce resources. In addition, there is green price where CIL partnered with WWF to use price premiums to promote environmental conservation. The study finding is consistent with Mungai(2006) who stated that consumers are more willing to pay an extra amount on products that have an additional value on performance, design, visual appeal or even environmental cause. Moreover, there is also green distribution where it was established that CIL has not yet adopted green transport systems that run on renewable energy. The study finding is consistent with Peattie (2012) who stated that businesses should be informed on the dangers of fossil fuel and also be given alternative modes of transport by government so as to lower carbon emissions and increase business efficiency.

### **5.1.3 Achieved enterprise sustainability components through green marketing at CIL**

There are three main components for enterprise sustainability that is, economic, social and environmental performance and therefore lack of achievement of any of them would therefore suggest otherwise. According to the study findings, economic performance was found to be achieved and this can be attributed to the fact that CIL has managed to earn a lot of revenue from sale of products to other geographical regions beyond Kenya. Social Performance was also attained because the company engages in a lot of corporate social activities to depict environmental concern such as tree planting activities and promotional activities for its current and new products. Environmental Performance is also another element the organization has managed to attain due to the clean manufacturing processes adopted that control pollution. The study findings are consistent with Carter (2000), Rao and Halt (2005) and Zhu and Sarkis (2004) who established that green initiatives have a positive relationship with economic, social and environmental performance of a company. However, there are some researchers that concur with the result of the study such as Vachon and Kaseen (2006) who stated that green marketing does take a long time to implement therefore economic benefits cannot be reaped within a short

period due to costs incurred in implementing green marketing such as purchase of new machinery, costly green certifications among others.

#### **5.1.4 Benefits and problems of green marketing at CIL**

The study findings depicted that there are benefits and problems encountered from the adoption of green marketing model. Such benefits included; stakeholder partnerships, competitive advantage, corporate social responsibility, environmental responsiveness, government regulation and technology innovation .The study findings are consistent with Alam (2012) green marketing opportunities in Saudia Arabia and Garg, (2015) who seeked to establish the impact of green marketing on sustainable development and found that the effect was positive. Apart from benefits there are some problems that the study established. These include; lack of financial incentives, lack of standardization of green products, lack of green technology and poor enforcement of green marketing policies. The study findings are in line with Sima, (2014) who established the trends and challenges of the Romanian green marketing programs and found out that government needs to do intensive research and development in technology which requires a huge investment.

#### **5.2 Conclusions**

The study confirms that CIL evaluates many factors before executing a green marketing plan. The most preferred factor that CIL looks into is competitive advantage. It can therefore be concluded that CIL values a lot its position in the market and no wonder it has managed to outsmart its competitors and be number one in East and Central Africa markets which its competitors are still grappling to do so up to date.

The study also revealed that CIL applies a variety of green marketing plans and mostly engages in promotional activities which constitutes the green promotion strategy. It can therefore be concluded that CIL creates a large customer base through its promotional tools that are made of biodegradable material which not only depicts the organization's environmental concern, but also creates green marketing awareness which captivates many customers.

The study also established that CIL green marketing plans were found to have a positive impact on economic, social and environmental elements of enterprise sustainability. It can therefore be

concluded that CIL takes concern the needs of the supplier, consumer and environment when manufacturing its goods. This enables CIL to create interconnected relationships with these parties for they develop a sense of belonging to CIL and its products.

The study also found out that despite CIL having acquired various benefits through green marketing, it has faced one major problem in executing green marketing as most of its technology is traditional and runs on fossil fuel which causes accumulation of greenhouse gases that constitutes one of the major reasons for climate change. Therefore, CIL should try as much as possible to adapt green technology to better its business performance and safeguard the environment from hazards such as pollution among others.

### **5.3 Recommendations**

#### **5.3.1 Recommendations for Manufacturing Firms**

The study recommends that other manufacturing firms should also think about factors like competitive advantage, cost efficiency and environmental regulation when wanting to embrace the green marketing model. Moreover, such firms should not just aim at attaining profit which partly constitutes the economic performance of an organization but they should also focus on meeting customers' expectations which constitutes social performance and embark on safeguarding the environment which determines the environmental performance. This in all, will enable such enterprises to obtain enterprise sustainability as no element will be compromised. In addition, manufacturing firms should embrace green technology in terms of machinery and transport systems to cut down on production costs and prevent pollution of the environment through utilization of renewable energy.

#### **5.3.2 Recommendations for Government**

The study recommends that government should not just set up rules that regulate or spearhead the idea of green marketing but should also act the part. It can start by making the acquisition of green technology an easy and simple process by reducing the requirements needed in applying for new green machinery especially when it is being imported. In addition, the government should set aside funds to be used as incentives to encourage culture of optimal use of energy and protection of natural resources. This will go a long way in motivating manufacturing firms to

utilize renewable energy and safeguard the environment as these are part of the major roles of green marketing.

#### **5.3.4 Recommendations for the Local Community**

The community should increase its awareness on green marketing by acquiring knowledge through journals, books, research among other sources so as to prevent themselves from being duped by products that are not eco-friendly. Moreover, they should abide to environment protection laws set by NEMA such as, use of non-plastic bags to prevent pollution of the environment and evade fines.

#### **5.4 Suggested areas for further studies**

The study focused on how green marketing promotes enterprise sustainability in Chandaria Tissue Manufacturing Industry. Researchers can also look into how green marketing facilitates enterprise sustainability in other manufacturing firms such as pharmaceutical, food, paint among others. In addition green marketing can be researched on how it enables enterprise sustainability to be achieved in other different enterprises such as small medium scale enterprises, cooperatives, partnerships among others.

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## APPENDICES

### APPENDIX I: INTRODUCTORY LETTER TO RESEARCH PARTICIPANTS

Dear Respondent,

My name is Serine Anyango Omuom, a Masters student at University of Nairobi currently undertaking a Masters in Environmental Planning and Management. I am pursuing a research on **Promoting Enterprise Sustainability through Green Marketing Models: A case study of Tissue Manufacturing at Chandaria Industries Limited Nairobi, Kenya** and would like you to assist me in my data collection by filling the questionnaire. Your responses will be treated as confidential and used exclusively for the purpose of this research.

Yours sincerely,

Serine Anyango

**APPENDIX II: RESEARCH INSTRUMENT**

**INSTRUCTIONS**

Please use a tick (✓) against your answer option or fill the blank space provided

**SECTION A: PERSONAL/ COMPANY DETAILS**

- 1. Name of your organization? .....
- 2. What is your designation? .....
- 3. What is your gender?    Male ( )                      Female ( )

4. What is your highest level of education?

- Masters                                      ( )
- Degree                                      ( )
- Tertiary diploma/certificate ( )
- KCSE                                      ( )

5. Are you aware of the green marketing concept?

- Completely aware
- Partially aware
- Not aware

6. How long has the company been practicing green marketing?

- Less than 5 years
- 5 – 10 years
- 11 – 20 years
- Over 20 years

7. Why do you think your organization is implementing green marketing practices?

With the scale of 1 to 5 where; 1- strongly disagree, 2 - disagree, 3 - neutral, 4 - agree and 5 - strongly agree, select your level of agreement to the following statements NOTE; GM represents Green Marketing

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The company looks at green marketing as an opportunity to achieve its objectives					
It's an opportunity to give back to the community (corporate social responsibility)					
Adherence to government environmental policies geared towards safeguarding the environment from pollution					
Obtain competitive advantage over other businesses					
Increase profitability of the business					
To achieve enterprise sustainability					
Protect the environment as a social obligation					

**SECTION B: DETERMINE FACTORS THAT AN ENTERPRISE SHOULD CONSIDER IN ORDER TO ADOPT A GREEN MARKETING MODEL**

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>ENVIRONMENTAL PROTECTION REGULATION</b>					
1) There are environmental laws and policies that govern manufacturing firms processes and activities with the aim of protecting natural resources					
2) There are clearly stipulated laws on legal amounts of emissions of waste and gas so as to combat pollution					
3) Lack of adherence to such laws can lead to revoking of industrial licenses					

4) Provision of government incentives for optimal use of energy and resources					
<b>CONSUMER BEHAVIOUR</b>					
1) Consumers are more cautious of the products that they buy due to green pricing, product specifications and green marketing knowledge					
2) Consumers mostly prefer green products that are more environmentally friendly					
3) Consumers prefer products from companies with a good corporate image					
4) Manufacturing firms are engaging in corporate social activities to attract a large customer base					
<b>COST EFFICIENCY</b>					
1) To reduce high costs incurred due to use non-renewable sources of energy such as fossil fuels and encourage use of green energy					
2) To reduce high costs incurred due to use of non-renewable sources of raw material and encourage use of recycling raw materials					
3) To reduce high cost in waste treatment and encourage use of waste to generate energy					
<b>COMPETITIVE PRESSURE</b>					
1) Green products are more environmental friendly hence attract more customers					
2) Green products have a large customer base hence the company can make more profit					
3) Green marketing allows businesses to penetrate into markets that haven't been accessed by its competitors					

**SECTION B: DETERMINE GREEN MARKETING STRATEGIES ADOPTED BY CHANDARIA  
TISSUE MANUFACTURING INDUSTRY TO PROMOTE ENTERPRISE SUSTAINABILITY**

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>GREEN PRODUCT</b>					
1) Products from Chandaria are green					
2) Products from Chandaria meet specifications that are required by the law					
3) Product packaging is reusable/ recyclable					
4) Storage of products is in a manner that quality is maintained					
5) Green products in Chandaria have a large customer base					
6) Production wastes do not pollute the environment					
<b>GREEN PRICE</b>					
1)A portion of product price goes to a worthy environmental cause					
2)The products price are affordable due to the efficient costs of production					
3)Customers don't mind paying extra for green products					
4)Additional value like performance, design or visual appeal justifies the price of the product					
<b>GREEN PLACE</b>					
1)Location of the company is consistent with environmental laws, and values					
2)Distribution strategies aim at minimizing emissions during transport					
3)Use of renewable energy in transport systems					
4)Presence of reverse channel system for return of recyclable materials					
<b>GREEN PROMOTION</b>					
1) The promotion of products depicts environmental concern					

2) Promotion tools like posters, brochures and booklets are made from biodegradable and/recyclable materials					
3) The company participates in corporate social responsibility activities					
4) The company promotes the culture of saving energy, water and resources in its operational activities					

**SECTION C: ESTABLISH ENTERPRISE SUSTAINABILITY COMPONENTS THAT CHANDARIA TISSUE MANUFACTURING INDUSTRY HAS ACHIEVED THROUGH GREEN MARKETING**

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>A) Economic</b>					
1) Raw materials used are renewable or biodegradable so as to reduce production costs incurred in refinement among others					
2) Presence of waste and minimization mechanisms that prevent emission of harmful gases and dust into the air					
3) Recycling of waste to generate energy or create by products					
4) Use of renewable sources of energy in lighting and running of machines					
<b>C) Social</b>					
1) Training of workers on green marketing and involvement of workers in decision making.					
2) Presence of social programs where consumers and workers are informed on the importance of green marketing and participate in social events such as tree planting					
3) Green Marketing practices aim to protect the environment hence improves the lives of people					
4) Green Marketing encourages production of economical, affordable and environmental products which are convenient for people					



<b>D)Environmental</b>					
1) Presence of cleaner production processes such as detoxification that reduce air and water pollution					
2) Presence of mechanisms that allow customers/ garbage collectors to return used product packaging for recycling					
3) Use of alternative sources of fuel in transport systems that is fossil fuel is replaced with green energy such as solar, wind among others					
4) Presence of monitoring mechanisms to constantly reduce the quantity of waste emitted					

**SECTION D: DETERMINE THE OPPORTUNITIES AND CHALLENGES FACING ADOPTION OF GREEN MARKETING TO PROMOTE ENTERPRISE SUSTAINABILITY IN CHANDARIA TISSUE MANUFACTURING INDUSTRY**

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>OPPORTUNITIES</b>					
Green Marketing provides an opportunity for government and other policy institutions to develop environmental policies in relation to green marketing.					
Green Marketing enables companies to have a better competitive advantage over their competitors					
Green Marketing encourages innovation in technology					
Green Marketing encourages stakeholder partnerships					
Green Marketing encourages corporate social responsibility					
Green Marketing increases environmental responsiveness of businesses					
<b>CHALLENGES</b>					
Lack of factual information about green marketing hence negative perception from potential					

Lack of standardization of green products					
There's poor enforcement of environmental regulations on GM					
Lack of government incentives to fund companies in implementing green strategies					

### **APPENDIX III: KEY INFORMANT INTERVIEWS**

Does the company/ institution have policies in place in relation to green marketing? If so, which are they?

Does the company have a good environmental track record?

Does the company offer green products?

Does the company/ institution use or encourage use of green technology to facilitate green marketing?





Is the company/ institution involved in social projects that safeguard the environment as a result of green marketing?

Has the company/ institution received government incentives to encourage green marketing?

Has the company/ institution partnered with other stakeholders to encourage green marketing?

Does the company/ institution have any plans for the future regarding green marketing practices that are geared towards achieving enterprise sustainability?

**APPENDIX V: RESEARCH PERMIT**

 <p>REPUBLIC OF KENYA</p>	 <p><b>NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY &amp; INNOVATION</b></p>
<p><b>Ref No: 369954</b></p>	<p><b>Date of Issue: 11/June/2020</b></p>
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