Impact of Sustainable Marketing Activities on Customer Retention

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Abstract

Today customer retention is considered one of the most eminent drivers for the overall escalation of business enterprises. Besides, the fundamental shift in customer psychology also makes conducting sustainable marketing activities for the business more challenging. In order to address critical knowledge gaps, the present study aims to examine the impact of sustainable marketing activities on customer retention. Sustainable marketing activities include economic, social-cultural, environmental, and legal aspects. The study employed a deductive approach, causal-comparative research methods, and convenience sampling techniques for its operation. The total number of customers related to food and beverage products in the Surkhet district was taken as the target population. The study included 425 customers as a sample size. The structured questionnaire was used to collect and analyze data through descriptive and inferential statistics. The study found a significant positive impact of economic, socio-cultural, environmental, and legal sustainable marketing activities on customer retention. Therefore, business organizations should consider more sustainable marketing initiatives. The study results will serve as a source of information for stakeholders like business people, customers, researchers, and academicians.

Keywords: Economic activities, social activities, environmental activities, technological activities

Introduction

In the 21st century, the economy is becoming increasingly customer-centric, acquiring new customers, catching their attention, and retaining them for the long term has become more intricate (Singh, 2016). Customer retention is considered one of the main relationship marketing concepts concerned with developing and maintaining a long-term consumers’-business relationship (Voss & Voss, 2008). The
importance of customer retention has increased since a majority of businesses started to suffer a noticeable loss of customers, along with the complexity and high costs of acquiring new customers (Danish et al., 2015). Moreover, the growing awareness of environmental, social, and economic sustainability has led to a shift in consumer behavior towards sustainable products and services (Kang & Hustvedt, 2014).

Customer retention is generally expressed as a proportion of the long-term relationship with consumers and is essential for an organization, as loyal and satisfied customers tend to use more and give valuable suggestions to potential new consumers (Dawes, 2009). Similarly, customer retention refers to retaining customers via products and services. It can lead to various benefits for the organization, including higher sales and profitability, lower costs of acquiring new customers and word-of-mouth recommendations. These benefits can contribute to the survival and ensure greater success of the organization (Rootman et al., 2011).

The organization prioritizes sustainability in order to ensure consistent market development. The term ‘sustainability’ can be identified as an organization’s fiscal, social, and environmental commitments, and it raises the issue of how to put them into practice (Derqui, 2020). Similarly, Kelleci (2022) discussed the economic practices of sustainability by recruiting skilled workers for performing marketing activities of a company. To ensure long-term sustainability, the company must consider corporate social responsibilities. Fuller (1999) showed how to plan, carry out, and manage the process of developing, evaluating, pricing, promoting, and distributing goods and services. Sustainable marketing is defined as a strategy that complies with a number of criteria, such as customer expectations, business goals, and practices that respect ecosystems.

Moreover, Ko et al. (2015) acknowledged that in order to foster greater societal cooperation and create fruitful client relationships, cultural considerations must be incorporated while implementing sustainable marketing strategies. Elkington (1997) highlighted that sustainable procurement operations should be mindful of economic, social, and environmental issues. Thus, it refers to the decision-making process and business activities of the local community such as production, distribution, consumption, and corporate ethics.

Magasi (2015) focused to highlight the company’s plans to work with customers and suppliers to combat climate change, reduce waste, safeguard natural resources, trade ethically, and build a healthier nation. For that, marketers need to remove many of the barriers, including lack of choice, cost, convenience, time, and effort, to change. As such marketing can be seen to recognize the key role of consumers as decision-makers in moving towards sustainability, for example
in reducing carbon dioxide emissions, recycling increasing volumes of waste, supporting Fair Trade initiatives, and adopting healthier lifestyles (Jones et al., 2008).

Barr et al. (2006) defined making sustainability as a universal way of adding social, economic, and environmental values to the products and services society consumes. Furthermore, Callicott and Mumford (1997) said that there are major challenges here in that such an approach may need to span the entire product life cycle and involve a comprehensive reassessment of product design and development, pricing policies, distribution, and marketing communications and of product and packaging disposal. Therefore, the present study was conducted to examine the impact of sustainable marketing activities on consumer retention in the context of Birendranagar Municipality, Surkhet.

Customer retention has become a complex task for every business in Nepal due to various factors, and every marketer is striving hard and takes all efforts to build a sustainable customer network. To establish and strengthen a wide customer base, the business has various strategies to retain existing customers and create new ones. Today every business organization understands the value of retaining customers for long-term sustainability. Regarding sustainability concerns, there is still an absence of customer knowledge, comprehension, trustworthiness, and even disinterest (Chatzidakis et al., 2007; Connolly & Prothero, 2008; Szmigin et al., 2009). Furthermore, most initiatives promoting sustainability have been implemented upstream, aimed at altering structural conditions that embed consumer behavior, and encompass incentives, legislation, environmental design, transparency activities, and standards; the greater habits bigger the need for primary interventions (Verplanken & Wood, 2006). As obtaining new customers is getting expensive day by day, marketers have started to offer loyalty programs to retain and reward existing customers (Sinha & Vyas, 2008). Thus, being realistic in approach, the study takes initiation to discover the impact of sustainability marketing activities on consumer retention.

The main objective of this study was to examine the impact of sustainable marketing activities on consumer retention in the context of Birendranagar Municipality, Surkhet. However, the present researcher has identified four specific goals grounded on the impact of economic, social, environmental, and transparency activities on consumer retention. In addition, the current study also included research questions to cover the missing links in the previous studies. Moreover, in order to establish a fixed guideline for the investigation and testing, the present study included following research questions:

1. What is the impact of economic activities on consumer retention?
2. Do social activities influence on consumer retention?
3. What is the impact of environmental activities on consumer retention?
4. Do transparency activities influence on consumer retention?

**Literature Review**

In general terms, sustainability marketing activities involve building and maintaining sustainable relationships with customers, the social environment, and the natural environment (Cabrera-Luján et al., 2023). Sustainable marketing activities can include three components: environmental, social, and economic (Bolton, 2022). Sustainable marketing activities need to take cultural variables into consideration in order to strengthen customer–organization cooperation and boost contact with society. This is necessary for the achievement of sustainable development (Evans & Peirson, 2018). Organizations prioritize sustainability in order to ensure consistent market development. The term “sustainability” refers to an organization’s fiscal, social, and environmental commitments, and it raises the issue of how to put them into practice (Derqui, 2020). Achieving customer loyalty is typically known as the most significant objective of marketing activities as the element is attributed to satisfied customers and consistent sales (Ibrahim et al., 2020). Customer retention becomes an essential advantage for the company to take care of the current customer and ultimately retain them (Guo et al., 2009). Customer retention states to a firm’s ‘zero defections’ of profitable consumers or no switches from profitable consumers to competitors. It includes communication, knowledgeability, empowerment, personalization, fees, ethical behavior, and technology (Reichheld, 1996). Focusing on customer retention can lead to increased customer loyalty, which can be a powerful driver of long-term business success (Bhenamesh & Panahi, 2022).

Economic activities can have a significant impact on customer retention. Pricing, product quality, and customer service can influence a customer’s decision to continue doing business with a company (Ariffin et al., 2022; Herawaty et al., 2022). Economic benefits, customer experience, product quality, and corporate social responsibility can influence customer retention. In order to retain customers over the long term, businesses must strike a balance between emphasizing other facets of the customer experience and providing financial benefits (Weinstein, 2020). Kim et al. (2020) revealed that economic activities can play a significant role in customer retention. Customers tend to remain loyal to a business that provides them with economic benefits such as discounts, rewards, and special promotions. Economic benefits are often used by businesses to incentivize customers to stay with them and make repeat purchases. Customers may be more likely to remain loyal to a company that provides them with high-quality products or services at a fair price, and that values their business (Pérez-Morón et al., 2022). Le (2022) argues that
customer loyalty is a critical driver of long-term economic success for businesses. It shows that retaining customers is more profitable than acquiring new ones and that business can achieve high levels of loyalty by providing excellent customer service and creating a positive customer experience. However, it is essential to note that economic benefits alone may not be enough to retain customers. Other factors, such as customer experience, product quality, and corporate social responsibility, can also influence customer retention. In addition, economic sustainability practices, such as using sustainable materials or reducing waste in production, can also contribute to customer retention (Zhang et al., 2022). Consumers are becoming more aware of the environmental impact of their purchasing decisions and are increasingly looking for businesses that prioritize sustainability (Gray et al., 2022). Based on the evidence, the present researcher tried to set up a working hypothesis for examining the impact of sustainability marketing activities on consumer retention. The operational hypothesis can be articulated as:

Hypothesis 1 (H1): Economical activities positively impact consumer retention.

Social interactions can help to create a sense of community among customers, which can, in turn, foster loyalty and retention (Yoshida et al., 2021). Consumers’ perceptions of an organization are often positively influenced by social activities. Customers’ intentions about their actions, such as their responses and feelings against a company’s goods, are linked to their social practices (Bhattacharya & Sen, 2003). Apart from company tasks that maximize sales, social marketing practices are community welfare activities that help an organization meet other goals (Wang, 2019). Companies are mindful of their duties as members of society and fulfill their social obligations to the larger community. From a long-term view, businesses will then develop into social enterprises. Sharing meals with community citizens, giving cheap health assessments to locals, making charitable donations, and participating in other community volunteer programs are examples of social contribution activities (Liu et al., 2021). When customers perceive a business as socially responsible and ethical, they are more likely to develop a positive emotional connection with the brand, leading to higher customer satisfaction and loyalty. Social activities can also help businesses build trust and credibility with their customers, which can be critical for long-term retention (Ali et al., 2010). Furthermore, social activities can help businesses differentiate themselves from their competitors. By creating a unique social identity and offering social benefits that are not available elsewhere, businesses can attract and retain customers who share their values and beliefs (Saeed et al., 2023). From the preceding discussion, the present researcher tried to set up a working hypothesis for examining the impact of social activities on consumer retention. The operational hypothesis can be articulated as:
Hypothesis 2 (H2): Social activities positively impact consumer retention.

Nowadays, customers are increasingly environmentally conscious and more likely to remain loyal to businesses that demonstrate a commitment to sustainability and environmental responsibility (Nirwan, 2023). Kim et al. (2016) showed that green marketing could increase customer satisfaction and loyalty, particularly among customers who value sustainability. Environmental activities, such as sustainability initiatives or eco-friendly products, can be an effective way for businesses to create a positive emotional experience for customers, which in turn can lead to increased loyalty and retention (Groth & Hennig-Thurau, 2013). By developing a positive perception of the company among customers concerned with sustainability, going green may enhance customer retention (Singh & Pandey, 2018). Building trust, fostering differentiation, and appealing to environmentally conscious customers are all ways that environmental activities can improve customer retention. It can strengthen the company’s commitment to sustainability and help establish credibility and trust with customers (Tan et al., 2022). Moreover, it is important to note that environmental activities may be one of many factors in retaining customers. Transparency, product quality, customer service, and pricing may also impact customer retention. Therefore, businesses must balance engaging in environmental activities with focusing on other aspects of the customer experience to achieve long-term customer retention (Sun et al., 2020). From the preceding discussion, the present researcher tried to set up a working hypothesis for examining the impact of environmental activities on consumer retention. The hypothesis can be articulated as:

Hypothesis 3 (H3): environmental activities positively impact consumer retention.

Transparency activities provide detailed information about their products and services, communicating their social and environmental impact, and being open and honest about their pricing and business practices. By engaging in these activities, businesses can build trust and trustworthiness with their customers (Rawlins, 2008). Johnston (2019) argues that transparency is important because it helps customers feel valued and respected, which can lead to a stronger emotional connection between them and the company. Additionally, transparency can help customers understand the value of the company’s products or services and how they fit into their own lives, which can also increase retention rates (Soh et al., 2006). According to a study by Jaiswal and Dhar (2015), Consumer trust and retention are significantly connected with transparency. Consumers are more inclined to appreciate and tend to be more committed to a firm they see as being transparent and open with them. This sense of commitment, in turn, leads to increased customer loyalty and repeat business.
Furthermore, studies have shown that transparency can lead to increased customer satisfaction and loyalty. Transparent communication helps customers feel valued and understood, which can increase their sense of loyalty to the brand (Ganesan, 1994; Matos & Rossi, 2008). From the preceding discussion, the present researcher tried to set up a working hypothesis for examining the impact of transparency activities on consumer retention. The hypothesis can be articulated as:

Hypothesis 4 (H4): Transparency activities positively impact consumer retention.

**Conceptual Framework**

Sustainable marketing activities are unavoidable for 21st-century businesses. Expectations of consumers, companies should adopt sustainable marketing activities. Thus, there is a gap between business sustainability practices and consumers’ expectations. To address this gap, the paper proposes a conceptual framework for sustainability marketing activities that businesses must adopt. The proposed framework can be an important standpoint for businesses to meet consumer retention. Therefore, the present research focused on examining the impact of sustainability marketing activities on consumer retention in Birendranagar Municipality, Surkhet. For these reasons, the paper identified four major sustainable marketing activities (Economic, Social, Environmental, and Transparency) on consumer retention.

**Figure 1**

*Conceptual Framework of the Study*

Figure 1 displays the relationship between sustainability marketing activities on consumer retention with the help of economic, social, environmental, and transparency activities. Companies with improved economic, social, environmental, and technological performance receive better positioning against competitors and also retain the consumer.
Methods and Procedures

In contrast, the quantitative research strategy has been characterized by deductive reasoning. Bryman (2004) defined the deductive approaches to the relationship between research and theory in which the latter is conducted concerning hypotheses and ideas inferred from the former. Moreover, Creswell and Tashakkori (2007) have identified that researchers use theory deductively and put it forward at the start of a study. The study employed a deductive approach, causal-comparative research methods, and convenience sampling techniques. The total number of customers related to food and beverage products in the Surkhet district was taken as the target population. The study included 425 customers as a sample size. The structured questionnaire collected and analyzed data through descriptive and inferential statistics. For data analysis, SPSS 20 and AMOS 23 were used.

Results and Discussion

In this section, the researcher presents the demographic characteristics of the respondents, such as gender, age, qualification, profession, income level, and religion with sustainability marketing activities on consumer retention.

Table 1

<table>
<thead>
<tr>
<th>Demographic Variables</th>
<th>Response Options</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>217</td>
<td>51.06</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>208</td>
<td>48.94</td>
</tr>
<tr>
<td>Age</td>
<td>Less than 20 years</td>
<td>98</td>
<td>23.06</td>
</tr>
<tr>
<td></td>
<td>20-30 year</td>
<td>134</td>
<td>31.53</td>
</tr>
<tr>
<td></td>
<td>30-40 year</td>
<td>109</td>
<td>25.65</td>
</tr>
<tr>
<td></td>
<td>40 and above</td>
<td>84</td>
<td>19.76</td>
</tr>
<tr>
<td>Qualification</td>
<td>Intermediate level</td>
<td>161</td>
<td>37.88</td>
</tr>
<tr>
<td></td>
<td>Undergraduate level</td>
<td>163</td>
<td>38.35</td>
</tr>
<tr>
<td></td>
<td>Postgraduate level</td>
<td>101</td>
<td>23.76</td>
</tr>
<tr>
<td>Profession</td>
<td>Student only</td>
<td>177</td>
<td>41.6</td>
</tr>
<tr>
<td></td>
<td>Business only</td>
<td>113</td>
<td>26.6</td>
</tr>
<tr>
<td></td>
<td>Both study and Business</td>
<td>41</td>
<td>9.6</td>
</tr>
<tr>
<td></td>
<td>Both study and employed</td>
<td>94</td>
<td>22.1</td>
</tr>
</tbody>
</table>
Table 1 shows the results of the respondents’ demographic responses. Of all respondents, 51.06% were male, and 48.94% were female respondents who took part in this study. Similarly, 31.53% of respondents were in the 20–30 years age group, and 25.76% were in the 30–40 years age group. In the same line, 23.06% of the respondents were below the 20 years age group, and 19.76% were above the 40 years age group in this study. Similarly, of all respondents, 38.35% represented the undergraduate level, 37.88% represented the intermediate level, and 23.76% represented the postgraduate level respondents. Similarly, out of all respondents, 41.6% of respondents were involved in only one study and no other, and 26.6% of respondents were involved in the case only business. Likewise, 22.1% of respondents were engaged in both study and employment, and 9.6% of respondents were engaged in both study and business.

Accordingly, out of the respondents, 36.24% belonged to the 300000-600000 income level of the respondents, and 13.65% respondents belonged to the above 600000 income level. Similarly, 29.18% of the respondents in this study belonged to the 100000-300000 income level, and 20.94% of respondents were income levels below 100000. Aside from religion, 44.2% of the respondents were Hindu, and 23.1% were Christian. Similarly, 23.7% of respondents were Buddhism.

**Confirmatory Factor Analysis (CFA)**

Confirmatory Factor Analysis (CFA) was calculated using AMOS to test the measurement model. As part of confirmatory factor analysis, factor loading was assessed for each item; only fifteen items from four constructs (CR1, CR2, CR3, TRP2, TRP3, TRP4, ENV1, ENV2, ENV3, SOC1, SOC2, SOC3, ECO1, ECO2, and ECO3,) found better commonalities and correlation weights. In addition, remnants of the seven items were removed due to low factor loading. In this study, modification indices also were used to improve the model fit by making residuals covariance (error
terms) between the error terms of respective constructs, which have unexplained parts of correlation. Similarly, the model fit measures were used to assess the overall model fit (P-value, CMIN/DF, RMR, GFI, CFI, TLI, SRMR, and RMSEA), and all values were within their respective expected acceptance levels (Hair et al., 2010; Hu & Bentler, 1998). The four-factor model (ECO, SOC, ENV, and TRP) gave a good fit, as shown in Table 4 above.

Table 4
Analysis of Model Fit Indices of CFA

<table>
<thead>
<tr>
<th>Model Fit Indices</th>
<th>Recommended Value</th>
<th>Sources</th>
<th>Obtained Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-value</td>
<td>≤ 0.05</td>
<td>Hu and Bentler (1998)</td>
<td>0</td>
</tr>
<tr>
<td>CMIN/DF</td>
<td>5-Mar</td>
<td>&quot;</td>
<td>3.025</td>
</tr>
<tr>
<td>RMR</td>
<td>≤ 0.05</td>
<td>Hair et al. (2010)</td>
<td>0.01</td>
</tr>
<tr>
<td>GFI</td>
<td>&gt;.90</td>
<td>&quot;</td>
<td>0.931</td>
</tr>
<tr>
<td>TLI</td>
<td>&gt;.90</td>
<td>&quot;</td>
<td>0.962</td>
</tr>
<tr>
<td>CFI</td>
<td>&gt;.90</td>
<td>&quot;</td>
<td>0.971</td>
</tr>
<tr>
<td>SRMR</td>
<td>&lt;.08</td>
<td>&quot;</td>
<td>0.69</td>
</tr>
<tr>
<td>RMSEA</td>
<td>&lt;.08</td>
<td>&quot;</td>
<td>0.069</td>
</tr>
</tbody>
</table>

Notes: P-value=Likelihood Ratio, CMIN/DF=Relative X2, RMR=Root Mean Squared Residual, GFI= Goodness of Fit Index, TLI= Tucker-Lewis Index, CFI= Comparative Fit Index, SRMR=Standardized Root Mean Squared Residual, RMSEA= Root Mean Square Error of Approximation.

Table 5
Structural Model Reliability and Validity Measures of CFA

<table>
<thead>
<tr>
<th></th>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
<th>MaxR(H)</th>
<th>ECO</th>
<th>SOC</th>
<th>ENV</th>
<th>LEG</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECO</td>
<td>0.781</td>
<td>0.505</td>
<td>0.17</td>
<td>0.899</td>
<td>0.711</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOC</td>
<td>0.76</td>
<td>0.505</td>
<td>0.088</td>
<td>1.045</td>
<td>0.191***</td>
<td>0.711</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENV</td>
<td>0.798</td>
<td>0.536</td>
<td>0.232</td>
<td>0.903</td>
<td>0.412***</td>
<td>0.211***</td>
<td>0.732</td>
<td></td>
</tr>
<tr>
<td>TRP</td>
<td>0.849</td>
<td>0.635</td>
<td>0.232</td>
<td>0.944</td>
<td>0.287***</td>
<td>0.297***</td>
<td>0.482***</td>
<td>0.797</td>
</tr>
</tbody>
</table>

Notes: No validity concerns here. All the reliability and validity criteria for model fit indices of CFA are significant in this study. For this, the thresholds Cutoff Criteria for model fit prescribed by Hu and Bentler (1999) were applied in this study also.
Structural Equation Modeling for Hypothesis Testing

To perform SEM, many researchers (Hair et al., 1998; Lin & Lee, 2004; 2005; Sit et al., 2009) have recommended the two-step process of modeling and testing CFA before testing the structure of the model. There are three benefits of SEM. First, it simultaneously offers a direct approach to managing relationships; hence, it can provide statistical efficiency simultaneously. Thus, it does not apply to multiple regression analyses. Second, SEM can comprehensively examine relationships between the observed and latent variables (Hoyle, 1995; Schaupp et al., 2010). Therefore, switching from PCA to CFA and EFA to CFA is possible. In this study, the researcher used CFA to verify model fit indices, and verify the reliability and validity tests of statistics, the present researcher draws the SEM model for the path or hypothesis analysis using IBM SPSS Amos 23.

Figure 2

SEM Path Diagram

Table 6

Analysis of Hypotheses Testing Results of SEM

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Label</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR</td>
<td>&lt;-&gt; ECO</td>
<td>0.584</td>
<td>0.107</td>
<td>5.478</td>
<td>***</td>
</tr>
<tr>
<td>CR</td>
<td>&lt;-&gt; TRP</td>
<td>0.241</td>
<td>0.061</td>
<td>3.953</td>
<td>***</td>
</tr>
<tr>
<td>CR</td>
<td>&lt;-&gt; SOC</td>
<td>0.283</td>
<td>0.075</td>
<td>3.798</td>
<td>***</td>
</tr>
<tr>
<td>CR</td>
<td>&lt;-&gt; ENV</td>
<td>0.151</td>
<td>0.066</td>
<td>2.279</td>
<td>0.023</td>
</tr>
</tbody>
</table>
Table 6 displays the overall calculated values of the path and hypotheses analysis of the study. In the final phase of hypothesis testing, the validity of the hypothetical path is verified by assessing the statistical significance of each structural parameter value. Based on the results (Table 6), it is confirmed that economical activities ($\beta = 0.584$, $p<0.01$), transparency activities ($\beta = 0.241$, $p<0.01$), social-cultural activities ($\beta = 0.283$, $p<0.01$), and environmental activities ($\beta = 0.151$, $p<0.05$), were found to have positive and significant associations with customer retention. Therefore, all hypotheses were accepted. Thus, the study’s results showed that H1 (economical activities), H2 (transparency activities), H3 (social activities), and last H4 (environmental activities) have a solid and positive impact on customer retention.

Overall, the study’s findings provide robust evidence that economical activities, transparency activities, social-cultural activities, and environmental activities positively impact customer retention. By accepting all hypotheses, the study reinforces the significance of these factors in shaping customer behavior and loyalty. Businesses that wish to enhance their customer retention rates should consider incorporating these activities into their strategies and operations (Smith, 2018). Moreover, Johnson et al. (2019) stated that most of the taken variables likewise; economic, social, environmental and impartiality have positive significant impact on consumer retention. Furthermore, Lee and Kim (2017) discussed that consumer retention mainly concern with so many things such as product pricing, quality, quantity, and other after sales services of the business organizations. Similarly, Greenberg (2016) found that environmental responsibility, economic responsibility, social responsibility of the businesses can increase the level of consumer retention long-run. Further studies in diverse contexts and with more comprehensive control of variables could provide a deeper understanding of the associations between the identified activities and customer retention. Thus, the results of previous and present study have been similar in the context of consumer retention.

**Conclusion**

Based on the results of the study, it can be concluded that there is a positive relationship between sustainable marketing activities and customer retention. The results of the current study are similar to several previous studies (Kim & Choi, 2017; Turker & Altuntas, 2014) that have found consumer retention is influenced by sustainable marketing activities of business organizations. Furthermore, customers
are increasingly making purchasing decisions based on the activities operated by the businesses such as a company’s sustainability practices (Sheth et al., 2011). By communicating a company’s commitment to social and environmental issues through sustainable marketing practices, consumers are more likely to develop emotional connections with the brand. This emotional attachment can lead to increased customer retention and loyalty. Furthermore, sustainable marketing practices have a positive impact on customer retention. Companies that incorporate sustainability into their marketing strategy are more likely to retain customers by building trust and establishing a connection with consumers who value ethical and socially responsible behaviour.

Overall, this study provides practical recommendations for business organizations seeking to enhance their customer retention through sustainable marketing practices. The findings of the study can be used to guide organizations in developing effective marketing strategies that incorporate sustainable practices to build customer trust and loyalty. The study’s contribution to the field of sustainability and marketing is significant, and it can serve as a valuable resource for researchers, marketers, and business leaders. However, companies that prioritize sustainability in their marketing activities can enhance customer retention by building trust, establishing emotional connections with customers, and appealing to those who value ethical and socially responsible behaviour.

References


