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Development of green marketing strategy for an airline in Saudi Arabia

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ABSTRACT

Green Marketing (GM) is a concept that refers to the process of marketing services or products based on its environmental performance or environmental benefits. Vision 2030 of Saudi Arabia emphasizes the green movement and most of the recent projects support the sustainability of the green concept. Commercial airlines all over the world contribute significantly to the environment. The airline in our research is being one of the largest airlines in the world has to play an effective role in the green movement. The present study focuses on the development of green marketing strategies for the airline. A questionnaire comprising of twenty-five questions was distributed online for the purpose of data collection. Liker- type scale was used to get responses from 700 participants, who were the staff members, customers and other stakeholders of the airline. Statistical techniques of ANOVA, F-test, t-test, and Chi-square test were used to carry out the analysis of data. Results revealed that the majority of the participants are not willing to participate either financially or by limiting their choices to reduce the impact of aviation, authorities, and airlines should take the responsibility and do more to reduce the impact of aviation on the environment. Results also revealed that there is a clear influence of age, gender, and education on evaluation airlines' activities toward the environment, but there is no influence of management level, frequent traveling or aviation background on evaluating these activities. The basis of the developed strategy is green positioning where the airline repositioned to be a green airline , then the airline should invest and develop the main four pillars which are green product, green place, green partnership, and green policy, finally, the airline should communicate all these initiatives to the stakeholders through green promotion activities.

Keywords— Green Marketing, Marketing, Green, Environment, Aviation, Airline

1. INTRODUCTION

The brand image has always been a core component in the success of any organization, it has a major impact on attract new customers toward the brand , easy to introduce new service or product under the same brand and increase the confident of the existing customers which leads to better business customer relationship. One of the major industries which is struggling to improve its brand image is the airlines, it is a critical part of the national economy, providing transportation of people and goods inbound and outbound, it is always a major contributor on all the levels. The airline in this research is also focusing to improve its brand image by aligning its marketing strategy with changing market needs and requirements. This will lead to increasing its sales and improve its profits. Green Marketing is a new marketing concept that refers to the process of marketing services or products based on their eco-friendly benefits. These product or service may be eco-friendly in itself or manufactured in an eco-friendly way.

Nowadays, the green movement has been expanding rapidly in the kingdom, it is a major part in the kingdom's vision 2030 and most of the recent projects are green and support the sustainability, two of these projects NEOM and SPARK (king Salman energy park) are based on the green activities, these projects will increase the awareness of environmental friendly, organizations and society have started thinking to reduce air, sea and soil pollution. Introducing "Green Strategy" in the local market will guide the companies to engage in eco-friendly activities at all levels and "Green marketing" will help the companies to maximize their sales and profits by improving their brand image among all stake holders.

2. METHODS

Questionnaire comprising of twenty-five questions were distributed online for the purpose of data collection. Likert- type scale was used to get responses from 700 participants, who were the staff members, customers and other stakeholders. The questionnaire collected the data for participant perception of the impact of air transport on the environment and ways to reduce it. Statistical techniques of ANOVA, F-test, t-test and Chi-square test were used to carry out the analysis of data. The data were categorized five times based on age, gender, management level, educational level, number of annual flights and aviation background, to measure the influence each category on the sample's perception of the provided solutions.

3. RESULTS

Results revealed that the majority of the participants are not willing to participate either financially or by limiting their choices to reduce the impact of aviation, authorities and airlines should take the responsibility and do more to reduce the impact of aviation on the environment. Results also revealed that there is a clear influence of age, gender and education on evaluation airlines' activities toward the environment, but there is no influence of management level, frequent travelling or aviation background on evaluating these activities.

4. THE DEVELOPED STRATEGY

The elements of our green marketing strategy for the airline first we have developed a model for our strategy (figure 1) and process sequence diagram for the elements of our strategy (figure 2) the model start with the foundation "Green positioning" of the airline . Then we developed the main four pillars:

- Green product activities
- Green place activities
- Green partnership activities
- Green policy activities

After that all these activities should be delivering well to the audience and the public by Green promotion (communication) activities to achieve our main goal "enhancing the brand image of the airlines.

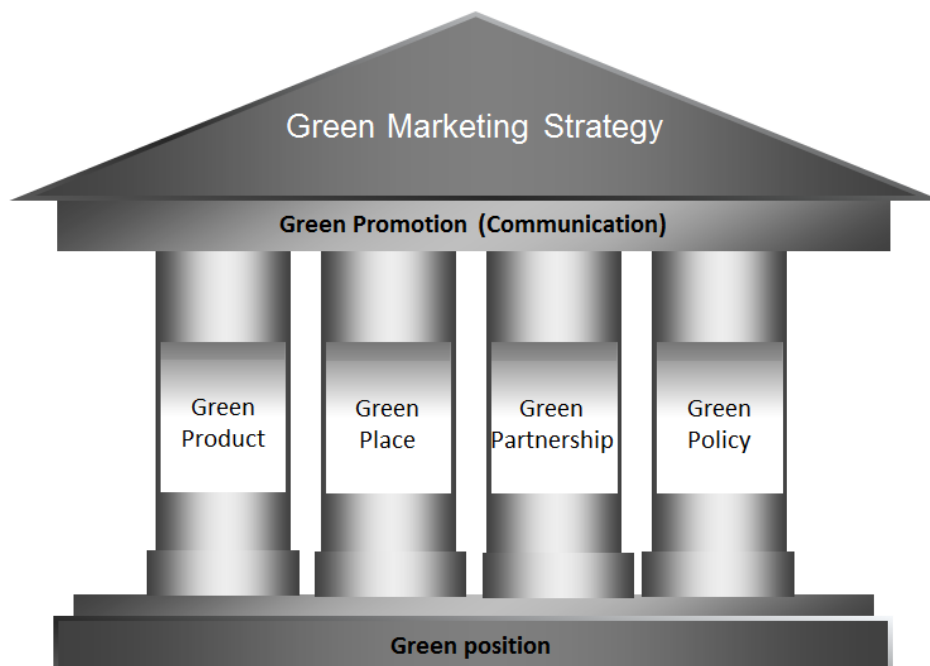


Fig. 1: A model of the proposed strategy

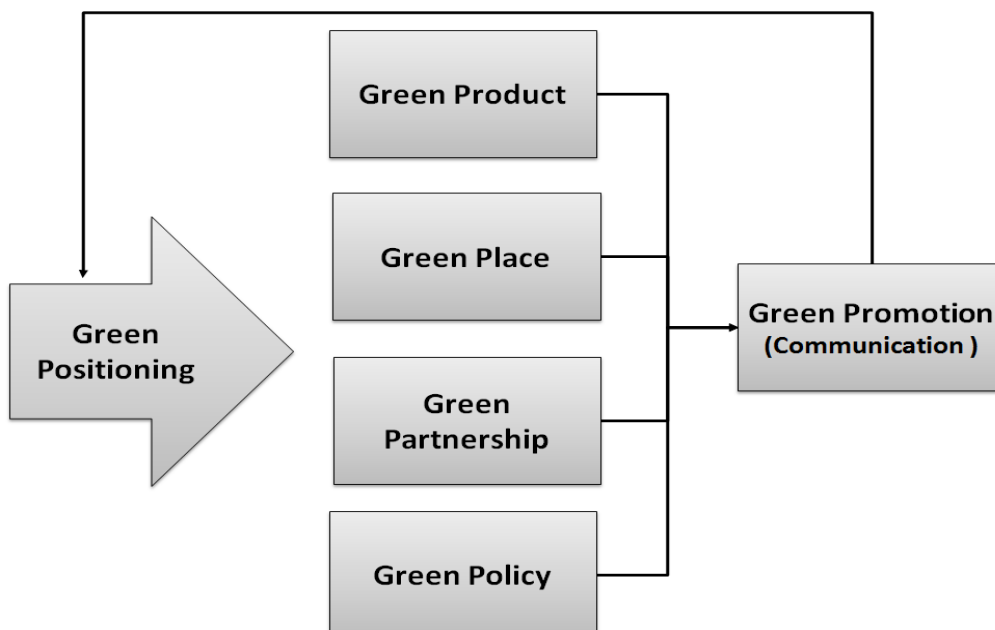


Fig. 2: Sequence diagram of the developed strategy

5. DISCUSSION

The developed strategy considered all the touch points in the customer journey covering all the marketing Ps, which adapted to the green marketing. Starting by green positioning where the airline review and reposition itself to be eco-friendly airline, then we have the main four pillar green product, green place, green partnership and green policy, each one of these pillar covers eco-friendly activities which shall be adapted by the airline in that area, finally the airline finally the airline should communicate all these initiatives to the stakeholders through green promotion activities.

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