

A Study on Environmental Friendly Business Strategies and Trends in Commerce

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Abstract: *It is widely acknowledged worldwide that business activities contribute to environmental degradation. People and businesses are becoming increasingly aware of the dangers that will occur if they do not carefully consider the requirements of the natural environment in every step they take in response to the growing concerns about environmental destruction. Therefore, green initiatives are implemented by businesses at the firm or product level with the intention of introducing their efforts to reduce or eliminate ecologically harmful impacts on suppliers, productions, products, or end users. One important way to adopt these efforts to satisfy the needs of the stakeholders of business entities that can play a vital "bridging role" toward sustainability and today's necessary green lifestyles is by developing successful business strategies. The growing significance of environmental sustainability for businesses is discussed in greater detail in this chapter, as are a variety of approaches to implementing this crucial step for businesses' continued existence in today's rapidly changing business environment. In addition, the chapter examines the corporate social responsibility, a crucial strategy for long-term business success. In addition, the chapter delves into general business strategies and elaborates on how businesses can be positioned by employing environmentally friendly practices. Additionally, the chapter provides a number of significant examples from relevant industries.*

Keywords: natural business maintainability, corporate social obligation, morals, supportable production network the executives, green business, reasonable business, practical business technique

I. INTRODUCTION

The Earth doesn't have limitless assets. As a result, it is unable to satisfy everyone's insatiable needs. People are becoming more and more aware of the dangers that will arise if they do not carefully consider the requirements of Mother Earth in every action they take in light of the growing concerns about environmental degradation. At the same time, businesses that implement green initiatives aim to introduce their efforts to lessen the environmental impact of their operations, whether at the firm or product level. Suppliers, products, end users, or both could be lessening or eliminating ecologically harmful impacts through these initiatives. One important way to implement these efforts to meet the needs of business entities' stakeholders (such as customers, suppliers, stockholders, etc.) is by developing profitable business strategies that support environmental well-being. It plays a crucial "connecting job" toward manageability and the present essential green ways of life.

The most ideal way to get individuals to treat manageability in a serious way is to approach it as it truly is: not only a challenge that will affect every aspect of management, but also a source of enormous competitive advantage for early adopters, according to Richard Locke, Director of the Thomas J. Watson Institute for International Studies and Professor of Political Science at Brown University (Locke, 2009). Over the course of the past few decades, environmental issues have gradually risen to the top of our social, political, and business agendas. Ongoing destroying catastrophes helped impact the natural activists to renew the environmental development with a quicker pace. Water contamination, land degradation, and other similar highly human-influenced environmental issues, some of which are less severe or more terrible, have increasingly become a common social and financial topic, as have Hurricane Katrina and Superstorm Sandy.

Integrating economic growth with environmental sustainability and social welfare is today's greatest challenge for nations. Quick development of the working class is causing fastpaced expansion in utilization all over the planet. "Each year until 2030, at least 150 million people will enter the middle class," states the World Economic Forum (2012).

Nearly 60% of the world's population will fall into the middle income category as a result. The demand for energy is expected to rise by 40% over the same time, and the demand for water is expected to rise by 40%. This lets us know future human activities will be much more huge than the present as far as influencing the planet. In response to alarming statistics, a rapidly increasing number of businesses and consumers worldwide are showing a growing interest in sustainable initiatives to lessen the negative effects of increased consumption and business practices on the environment. The business part of environmentalism (corporate environmentalism) has continually refined and developed from administrative consistence to more complex administration and key ideas, for example, "contamination counteraction," "modern biology," "life cycle investigation," "ecological equity," "natural system," "ecological administration," and, most as of late, "maintainable turn of events" (SD) (Bansal and Hoffman, 2012).

One way to think about sustainability is as a social phenomenon that helps to achieve development without harming the environment. It's all about finding a middle ground. There is no question that improvement in human conditions necessitates development; in any case, this thought shouldn't prompt a deteriorating of natural circumstances. On the off chance that natural circumstances decline or are temperamental, in fact we wouldn't accomplish improvement by any means since day to day environments would ultimately turn out to be more regrettable. For instance, if we destroy the natural habitat of a particular species today in order to achieve economic development and improve our standard of living, this would have a negative impact on us because of a chain effect that extended into the future and deteriorated the living conditions of subsequent generations. Ensuing ages would need to pay for we are doing today. To put it another way, we can say that our approach to development is sustainable if we are concerned about developments in the future. The evolution of the terms "sustainable development" (SD) and "sustainable development" (SD) in today's industrialized world is discussed in a number of studies. According to Ebner and Baumgartner (2006, 2010), forestry in the eighteenth century is where the term "SD" got its start. In order to guarantee a stable tree population during that time, only a predetermined number of trees could be cut down. This strategy guaranteed a persistent stockpile of wood without exhausting assets for people in the future.

The principal logical work on supportability came from the notforprofit association, Club of Rome. A project to use computer-based modeling to describe various development paths was started following a meeting at MIT. The project published Donella Meadows, Dennis Meadow, and Jorgen Rander's report titled "Limits to Growth" in 1972 (Meadows et al., 1972). In the long run, the Club of Rome started a between public conversation in view of this report. An ecodevelopment strategy that took resources and the environment into account was presented during the discussion. According to Baumgartner and Ebner (2010), this resulted in the current SD mission statement. In 1987, the United Nations (UN) World Commission on Environment and Development further defined SD as an ethical concept, and the following definition has been widely adopted: A development that meets the needs of the present without compromising the ability of future generations to meet their own needs is considered sustainable development. It contains two key ideas: the idea of "needs," particularly the fundamental requirements of the poor around the world, which ought to receive top priority; furthermore, the possibility of restrictions forced by the condition of innovation and social association of the conditions capacity to meet present and future necessities" (p.43) — referred to in "Our Normal Future" (World Commission on Climate and Improvement, 1987). Both of these definitions have filled in as a groundwork of the conceptualization of supportability where SD offsets monetary development with social value and ecological security. As a result, sustainability can be thought of as a social phenomenon that helps achieve development without harming the environment. In other words, "Enough, for all, forever" refers to a balanced approach. There is no doubt that advancement is necessary for improved living conditions for humans; nonetheless, this thought shouldn't prompt a deteriorating of environmental circumstances.

II. MICHAEL PORTER'S GENERIC BUSINESS STRATEGIES

Michael Porter's (1980) generic (competitive) strategies suggest that businesses can establish a long-term competitive advantage by employing one of the three generic strategies: cost leadership, differentiation, and a strategy for a focus (or niche) There is likewise a "widely appealing" system, which has been viewed as the most terrible technique for the longterm progress of an organization. As a rule, an organization can take on a technique that is hostile or cautious as for cutthroat powers. A protective methodology considers the design of the business as how it is and positions the organization in like manner by considering its assets and shortcomings. An offensive strategy, on the other hand, aims

to alter the competitive atmosphere by altering the underlying causes of each competitive force. Even though there are a lot of different offensive and defensive strategies, the one that would work best for a company mostly depends on the circumstances. The aforementioned three general strategies are offered by Porter as a means of establishing a defended position that businesses can use to outperform rivals and ultimately achieve success. The following is a discussion of each of the three strategies.

Cost Leadership This strategy entails having the lowest cost per unit in the industry, or lowest cost in comparison to competitors in the industry. The company's goal would be to keep costs as low as possible for all production components, such as labor and materials. Generally, returns or benefits would be low for these organizations yet regardless higher than contenders in the event that it is an exceptionally cutthroat industry. However, if there are only a few competitors, each firm can benefit from high profits and pricing power. Most of the time, large-scale productions are needed to take advantage of "economies of scale" and achieve cost leadership. Due to the company's ability to defend itself against powerful buyers and suppliers, a cost leadership business can gain a competitive advantage and be considered a defensible strategy. A genuine guide to low-cost maker can be Walmart with its longtime cost initiative. Companies need a lot of important resources and skills to get to a low-cost position. For example, they need to invest a lot of money up front in new technologies, keep investing to keep their cost advantage through economies of scale and market share, come up with new ways to produce products that are cheaper and better, and closely monitor overheads and labor functions (incentive-based pay structure).

Differentiation Organizations can distinguish themselves from rivals by tailoring their offerings to specific customer segments or specific requirements. As per Doorman (1980), a separation methodology can zero in on making the items stand apart in view of usefulness, client service, or quality. Separation can permit a firm to make or extend its market through offering an exceptional plan, picture, component, or innovation. Because differentiation helps to develop customer loyalty and reduce the price sensitivity of products, an organization that is engaged in a differentiation strategy can earn about average returns compared to its competitors. Separation likewise can protect the store network since the association might be situated to foster selective game plans with providers and wholesalers. Companies usually need exclusivity, strong marketing skills, product innovation rather than process innovation, applied R&D, high-level customer support, and less emphasis on incentive-based pay structures to implement a successful strategy of differentiation.

Focus or Niche Strategy: Organizations using a focus strategy will focus all of their efforts and resources on a single market, product, or geographic market and try to be the best in that category. To the point where other businesses may not be able to offer the same product, the offering is frequently tailored to meet the needs of that market segment. Models can incorporate RollsRoyce and Bentley, which are both cooking for the requirements of individuals beyond 50 years old.

Stuck in the Middle- When a company tries to implement all three strategies—cost leadership, differentiation, and niche (focus)—it is referred to as "stuck in the middle." These businesses typically lack a clearly defined business strategy and wish to serve everyone. Sadly, this sort of endeavor ordinarily increments running expenses and create turmoil (satisfying all areas of a specific market is seldom conceivable). It has been broadly recommended that these kinds of organizations that are stucked in the center typically do the most horrendously awful in their industry due to missing their basic business assets. All in all, to make an upper hand, an organization ought to survey its assets cautiously and pick the most proper technique for its prosperity. Cost leadership, differentiation, or focusing could be this strategy. Anything methodology a business chooses to embrace, it requirements to ensure that it isn't trapped in that frame of mind of the street. This is primarily due to the fact that "one company cannot do everything well."

III. THE GROWING IMPORTANCE OF NEW APPROACH TO SUSTAINABILITY FOR BUSINESSES

Sustainability in the New Business EraAs stated by Adam Werbach (2013) in his Harvard Business Press publication, the term "sustainability" was used by business leaders "to connote a company that had steady growth in its earnings" (p. 8) before it was cited in "Our Common Future" of the UN World Commission on Environment and Development. "Sustainability can contribute to competitive advantage However, he claims that the term's meaning has diminished over time due to shifting perceptions among community members and business leaders. For instance, philanthropic

efforts made by organizations to preserve the environment are sometimes described using the term "sustainability." As per Werbach (2013), reasonable business can depicted as "flourish in ceaselessness."

Additionally, he asserts that true sustainability should consist of four equally important components:

•**Social:** Every action should be carefully considered by all society members. True sustainability ought to take society's importance into account, such as public health, education, labor, and human rights.

•**Economic:** Activities ought to help working in a profit-able way. The people's and businesses' financial requirements should be met. Genuine manageability assists with monetary profit while safeguarding different parts of supportability.

•**Environmental:** It is important to take into account both actions and conditions that are related to the health of the environment. Safeguarding and reestablishing the biological system is pretty much as significant as friendly, financial, and social parts of maintainability

•**Cultural:** Cultural diversity is a significant advantage of various societies. Another important aspect of true sustainability is preserving and valuing cultural diversity. Communities should be able to pass down their identities and traditions from generation to generation without being lost. Businesses' long-term success is dependent on their sustainable strategies meeting each of these requirements. Thus, incorporating natural, social, moral, and monetary issues into all choices of an association can assist with accomplishing an equilibrium of safeguarding the climate, creating financial turn of events, expanding partner esteem, and giving significant positions, as a feature of making a protected, just, and evenhanded society. These are acceptable as the fundamental tenets of modern business sustainability.

Current world requests for organizations to painstakingly consider the limited assets on The planet, reliance for the endurance, need for limiting disparities in personal satisfaction as well as friendly and monetary wellbeing, need of regard for various societies, and need for getting a sense of ownership with leaving a heritage for people in the future. To be both maintainable and productive, business technique ought to be long haul, perceive limits in assets, safeguard nature, change current strategic policies, practice decency, and improve imagination.

Motivators for Businesses to Become Sustainable There are a number of reasons why businesses adopt sustainable business strategies. These include manufacturing, supply chain management, labor practices, transportation, facilities management, and more. Sustainability can be incorporated into all aspects of business. According to Shafaat and Sultan (2012), a lot of businesses in various industries want to be the first to market because they will eventually need to shift toward going green.

The following is a list of some of the main advantages of sustainable business practices:

- Lower expenses: In the long run, it saves money for the businesses by cutting costs (such as reducing waste, eliminating unnecessary processes, or altering the supply chain). Companies can save a lot of money by using fewer natural resources, switching to a supply chain that works better, using fewer chemical components, or recycling less harmful waste. More money can be added to the company's bottom line by better using its resources, which can then be used for other company functions.

- A chance for the market: Greening businesses and products is a brand-new market opportunity that is expanding rapidly. It opens up new market opportunities. It helps in getting to these new business sectors and getting every one of the advantages of upper hand. For instance, green products and services accounted for more than a quarter trillion dollars in spending by more than 36 million Americans in 2007. Businesses that are able to effectively communicate their green initiatives may benefit from this expanding opportunity in terms of market share. By employing ethical green marketing strategies, businesses can seize the opportunities presented by a "green" market valued at \$209 billion US (Shafaat and Sultan, 2012).

- The source of distinction: There is a growing level of competition in the market. Companies can differentiate themselves from their rivals and demonstrate how they are different by using sustainability initiatives as a source of differentiation. By implementing a variety of sustainability strategies, businesses can effectively differentiate themselves from rivals in the market.
- Squander decrease: For many businesses, waste management can be challenging and expensive. Businesses can save a lot of money by adopting sustainable business practices that also aid in the reduction of waste.

- Innovation and sustained expansion: It encourages research, novel concepts, and inventions—a shift toward sustainability may necessitate rethinking product design and business procedures. Additionally, these actions aid

businesses in staying abreast of emerging market trends. In addition, it ensures profitability and sustained long-term growth for the businesses.

- **Employee drive:** It helps the organization workers to feel associated, pleased, and satisfied to be a piece of an earth capable and responsive organization. In a business, it helps to engage the team and makes employees more productive and motivated. In general, representatives are more ready to work for those companies that consider the climate.
- **Upper hand:** It prompts outflanking the business normal by acquiring upper hand. Along these lines, organizations can outflank industry normal. For instance, late exploration (Kearney, 2009) on 100 organizations all over the planet showed that 16 of the 18 enterprises with manageable strategic policies outper-structure their rivals by 15%. An organization can do a great deal with an extra 15% in its primary concern.
- **Natural security:** Every business depends on a healthy natural environment to survive. Models of sustainable business contribute to the maintenance of ecological equilibrium. With widespread sustainable business practices that can improve natural resource utilization, natural resource protection may be possible.
- **Expanded corporate social obligation (CSR):** Green strategies can help companies perform better in social responsibility. The significance of achieving goals related to both profit and the environment is beginning to be recognized by numerous businesses worldwide. Green philosophy reception by an organization can show organization's eagerness to connect with inCultural: Cultural diversity is a significant advantage of various societies. Another important aspect of true sustainability is preserving and valuing cultural diversity. Networks ought to have the option to show their characters from one age to another and carry on their practices without losing them.

Businesses' long-term success is dependent on their sustainable strategies meeting each of these requirements. Thus, incorporating ecological, social, moral, and monetary issues into all choices of an association can assist with accomplishing an equilibrium of safeguarding the climate, creating financial turn of events, expanding partner esteem, and giving significant positions, as a feature of making a protected, just, and evenhanded society. These are acceptable as the fundamental tenets of modern business sustainability.

Current world requests for organizations to painstakingly consider the limited assets on The planet, reliance for the endurance, need for limiting disparities in personal satisfaction as well as friendly and monetary wellbeing, need of regard for various societies, and need for getting a sense of ownership with leaving a heritage for people in the future. The long-term nature of a company's strategy, its awareness of resources' limitations, its concern for the environment, its willingness to adapt to new business models, its commitment to fairness, and its capacity for originality are all essential components of a profitable enterprise. Manufacturing, supply chain management, labor practices, transportation, facility management, and other aspects of business can all incorporate sustainability.

IV. THE FUTURE OF BUSINESS SUSTAINABILITY

Numerous business executives, leaders, researchers, NGOs, consumers, and, most importantly, governments worldwide are increasingly recognising the significance of green strategies—business strategies that support environmental sustainability. The noted economist Thomas L. Friedman provides us with an illuminating and thought-provoking treatise of the emerging green ideology in his landmark 2007 article titled "The Power of Green." According to Friedman, the green ideology "has the power to mobilize liberals and conservatives, evangelicals and atheists, big business and environmentalists around an agenda that can both pull us together and propel us forward" (Friedman, 2007). According to Friedman, green ideology possesses the geoeconomic, capitalistic, patriotic, geostrategic, and patriotic power to reunite America domestically and restore its position as "hope and inspiration" worldwide. A nation that adopts a new "green" way of living, working, designing, manufacturing, and projecting can have a unified movement that can bring continued success into the twenty-first century. This is an important chance that should not be missed. In point of fact, the market is already beginning to recognize green's undeniable power. It's pointing in a new direction that benefits numerous businesses, the environment, and their customers. It will also benefit our grandchildren in the long run. The debate over climate-energy, environment-consumption, habitat-waste, and similar issues is ongoing, albeit slowly and subdued, and it is causing widespread changes on both small and sometimes large scales. Nonetheless, corporations can achieve competitive global advantage by moving quickly toward green ideology. Green needs to become ingrained in a company's DNA, spread to Main Street, and most importantly, at the individual level, it

needs to be more than just a hobby and the new strategy for the company's survival. This new way of life may provide solutions to numerous environmental issues and a number of excellent chances for success. As part of creating a society that is safe, just, and equitable, it can be helpful to achieve a balance between protecting the environment, fostering economic development, increasing stakeholder value, and providing meaningful jobs by incorporating environmental, social, ethical, and economic issues into every decision that an organization makes. The fundamental tenets of today's sustainable business practices can be accepted as these. As underlined in this part, the cutting edge world expects organizations to painstakingly consider the limited assets on The planet, reliance for endurance, need for limiting imbalances in personal satisfaction as well as friendly and monetary wellbeing, need of regard for various societies, and need for getting a sense of ownership with leaving a heritage for people in the future. From financing to post-consumption activities, sustainability practices can be incorporated into all phases of the value chain. This chapter's case studies show how successful businesses in all sectors are responding to the need to incorporate responsibility into their business practices and strategies. With results that support benefits in both financial and non-financial aspects of performance, these businesses have demonstrated that sustainability can be beneficial to business. Companies that incorporate CSR issues into their business models are demonstrating that it is possible, despite the fact that there is still a significant amount of work to be done in eradicating social injustices and improving our environment. The pursuit of sustainability does not entail slashing back or pausing. It is inventing new industries and a new way of life that encourage inventive abundance for future generations.

V. CONCLUSION

In order to pursue sustainable business development, a company must first determine the areas in which it has a negative social and environmental impact and then evaluate its options for minimizing that impact while simultaneously expanding its operations and catering to the requirements of its customers. Nestle launched a plan in 2009 to coordinate activities to promote sustainable cocoa as an illustration of this strategy: delivering 12 million more grounded and more useful plants over the course of the following 10 years, showing nearby ranchers productive and economical techniques, buying beans from ranches that utilization reasonable practices, and working with associations to assist with handling issues like youngster work and unfortunate admittance to medical care and schooling. Quantifying a company's impact, scope, and frequency on the natural environment is significantly aided by impact assessment. In the early stages of sustainable business development, many corporations focused their efforts on everyday activities that could reduce environmental impact, such as recycling paper, improving production efficiencies, using light sensors, and reducing business travel (Croner Publications Ltd., 1997). In addition, many corporations follow a standardized framework, such as the widely adopted ISO 14001, which provides guides to policy, procedures, standards, and systems. The results of these efforts, which primarily focused on the individual, were evident in the bottom line.

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