IJARSCT

International Journal of Advanced Research in Science, Communication and Technology

International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal

ISSN: 2581-9429

Volume 6, Issue 2, August 2026

Impact Factor: 8.2

The Role of Sustainability-Driven Cause-Related Marketing in Commercial Lease Selection

Vikrant M. Singh[1] and Veerdhaval Ghorpade[2]

[1]Student, Management,

[2]Professor Management,

Bharati Vidyapeeth (Deemed to be) University, Pune, India

Abstract: *The current research study is exploring how sustainability-driven Cause-Related Marketing (CRM) is relevant within the tenant acquisition procedure in the business real estate sector. The majority of the leasing models that were applied to consider the price per square foot and the location. However, as the role of Environmental, Social, and Governance (ESG) norms increases, sustainability has become an essential factor in making decisions that cannot be ignored. The study is quantitative in nature and a cross-sectional survey of 100 decision-makers (CEOs, Facility Managers) in 100 corporate entities in Pune is used. It looks into the psychological and strategic factors that make the mating schemes of Green Leasing beneficial marketing tools. It achieves this through its main concepts which are Signalling Theory and theory of Planned Behaviour. Location remains as an important factor; however, sustainability aspects such as green certifications (LEED/IGBC) and energy efficiency have ceased to be peripheral variables when buying the lease; they are now extremely important. Regression analysis shows that the Green Certifications are the strongest predictor of lease selection (0.55) as compared to the general community involvement activities which bring significant effects. This paper gives some recommendations to the practical practice of property developers, suggesting that green initiatives should also be presented not only as regulatory requirements but as also as an instrument of strategic marketing aimed at quickly concluding leasing agreements and attracting high-profile tenants in the IT and Finance industry. The study fills one of the key gaps in the literature by changing the perspective on the topic of tenant retention to the aspect of tenant acquisition where the role of the environmental factors in the quality measures during the pre-lease period is described using empirical data.*

Keywords: Cause-related marketing, sustainability, green leasing, commercial real estate, tenant acquisition, signalling theory, ESG compliance, Pune real estate market.

I. INTRODUCTION

The global commercial real estate (CRE) industry is going through a structural change right now because of the need for environmental action and business strategy to come together. In the past, the relationship between a landlord and a business tenant was strictly business, with the tenant paying rent in exchange for space. The main things that drove value were fixed: location, floor plate efficiency, and cost. But in the last ten years, "Green Leasing" has become popular. This is a way of doing business in which the environmental performance of a building is a key part of the value proposition.

This change is especially noticeable in new economic centres like Pune, India. Pune is a major center for Information Technology (IT) and car manufacturing. It draws multinational corporations (MNCs) that have to follow global Environmental, Social, and Governance (ESG) rules. For these tenants, a workplace is more than just a place to work; it's a physical representation of their business and a way to keep employees. As a result, property developers have started to include eco-friendly features like solar power generation, sewage treatment plants, and smart HVAC systems in their projects.

But there is still a big gap. Most developers look at these projects from an operational point of view, figuring out the Return on Investment (ROI) based on how much energy they save. They usually fail to utilize these investments as Cause-Related Marketing (CRM) tools. CRM, or strategic alliances between retail products and a social or environmental cause, has been primarily applied towards retail products (purchasing a product to benefit a charity). Its application in high stakes B2B commercial leasing is yet to be popular.

The technical use of green building standards is growing, but the way these properties are marketed has not kept up. When developers market "Green Buildings," they often use technical language that engineers like but that doesn't connect with the CEOs and CFOs who make the big decisions and sign the leases.

The main issue this study looks at is how much sustainability matters during the acquisition phase. Is a LEED Platinum certification a good reason for a tenant to sign a lease, or is it just a "nice-to-have" bonus? There is a lot of research on how CRM builds brand loyalty, but not much on how it affects brand choice. Without this information, developers could waste money on marketing by focusing on generic amenities instead of showing how they care about the environment.

To address these gaps, this study sets forth the following objectives:

- To examine the impact of sustainability-driven CRM initiatives on the lease selection process: We aim to quantify the relationship between a building's green attributes and a tenant's likelihood to lease.
- To determine the hierarchy of the decision-making aspects: We are interested in knowing what is the place of sustainability in the traditional aspects such as cost and location in the post-pandemic market.
- In order to provide evidence that Signalling Theory in Real Estate: we propose to establish that third-party certifications are important and useful critical signalling in Real Estate that minimizes risk to potential tenants.
- To offer managerial suggestions: We have offered a path using which developers can shift to the concept of Green Engineering to that of Green Marketing.

II. LITERATURE REVIEW & THEORETICAL FRAMEWORK

Varadarajan and Menon (1988) were the first to define Cause-Related Marketing (CRM) as a marketing strategy in which a company's donation to a specific cause is linked to customers making purchases that generate income. This definition needs to be changed when it comes to real estate. A "Green Lease" is different from buying shampoo that gives a percentage to charity because the tenant pays for a space that naturally reduces harm to the environment.

In the past, real estate marketing research looked at "Curb Appeal" and "Location." But more recent studies have found a "Green Premium," which is when certified green buildings get higher rents and occupancy rates. Kaur and Solomon (2022) noted that Indian real estate is becoming more focused on efficiency when it comes to automation and technology. This is in line with what is happening around the world, where tenants link sustainability with "modernity" and "efficiency."

This study is grounded in two robust theoretical frameworks that explain why corporate tenants choose sustainable buildings.

A. SIGNALING THEORY

Signaling Theory proposed by Michael Spence solves the issues of information asymmetry. In the business leasing industry, there is a Lemon Problem: potential tenants cannot readily understand whether a building is professionally managed, is super energy-efficient, or healthy before occupancy.

- **THE ASYMMETRY:** The developer has the knowledge to correctly understand the quality of the HVAC system and insulation; the tenant does not.
- **THE SIGNAL:** A third-party signal (such as LEED, IGBC, or WELL) is a signal that is expensive to falsify. It serves to confirm that the developer has put a lot of his resources towards quality.
- **APPLICATION:** The hypotheses of this study are as follows: Tenants do not only apply Green Certifications because of the environment, though as a mental shortcut to participate in their decision-making process about the quality of the landlord, overall, and their competence in managing the property.

B. THEORY OF PLANNED BEHAVIOUR (TPB)

Icek Ajzen's Theory of Planned Behaviour (1991) suggests that human behaviour is guided by three kinds of considerations:

- **BEHAVIOURAL BELIEFS (Attitude):** Does the tenant believe that leasing a green building is a "good" thing? (e.g., "It will lower my operating costs.")
- **NORMATIVE BELIEFS (Subjective Norms):** Is the tenant under social pressure to lease green? (e.g., "Our Global Head Office mandates Carbon Neutrality by 2030.")
- **CONTROL BELIEFS (Perceived Behavioural Control):** Does the tenant feel they have the choice? (e.g., "Are there enough green buildings in Pune to choose from?")
- This study focuses heavily on the Subjective Norms. As ESG reporting becomes mandatory for listed companies, the "pressure" to choose sustainable real estate transitions from a personal preference to a corporate requirement.

C. HYPOTHESIS DEVELOPMENT

Based on the literature and theoretical framework, we propose the following hypotheses:

- **H1:** There is a significant positive relationship between a developer's Green Certifications (Signalling) and a tenant's Lease Selection Intention.
- **H2:** Energy Efficiency features (operational benefits) will have a stronger influence on lease selection than generic Community Involvement programs (philanthropy).
- **H3:** The importance of sustainability factors will be significantly higher for tenants in the IT/MNC sector compared to local non-corporate tenants, due to global ESG mandates.

III. METHODOLOGY

The research employs a quantitative, cross-sectional survey methodology. A cross-sectional method was selected as it facilitates the acquisition of a "snapshot" of tenant sentiment at a particular moment in time. Because ESG rules change so quickly, it's very useful to have a snapshot of the current criteria for making decisions.

The target population includes business leaders in the Pune Metropolitan Region (PMR) who make decisions about commercial leasing. This includes business owners, real estate heads, facility managers, and CFOs. The sampling was done using a purposive method. We particularly selected those respondents who are located in large commercial centres in Pune including Hinjewadi, Magarpatta and Kharadi to ensure that the sample is reflective of the modern commercial tenant profile.

The number of valid responses collected by this particular analysis was 100. The larger thesis required a greater population (N=385) and this narrow study of the Lease Selection uses high quality of subset of decision-makers to emphasise depth over breadth.

A structured questionnaire formulated according to literature review was used to collect the data. The instrument used in this paper had these key sections:

- **SECTION 1 (DEMOGRAPHICS):** The information on the industry, position, and duration of lease.
- **SECTION 2 (SUSTAINABILITY PRACTICES):** This section measured the Independent Variables. There were questions about "LEED/Green building certifications," "Energy-efficient building features," and "Waste management".
- **SECTION 3 (DECISION MAKING):** This section measured the Dependent Variable. It asked people to rank the factors that went into their decision (Cost, Location, CRM) and to rate how much CRM affected their final choice.

A pilot study was conducted with (N=30) participants to test the instrument. The Cronbach's Alpha for the "Sustainability" construct was found to be 0.85, and for "Leasing Decision Influence" it was 0.82, indicating excellent internal consistency.

IJARSCT

International Journal of Advanced Research in Science, Communication and Technology

International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal

ISSN: 2581-9429 Volume 6, Issue 2, August 2026 Impact Factor: 8.2

The collected data was analysed using IBM SPSS Statistics. The analysis was done in three phases: Descriptive Statistics, Correlation Analysis, and Multiple Regression Analysis to test the hypotheses and determine the predictive efficiency of sustainability attributes on lease choice.

IV. DATA ANALYSIS AND RESULTS

A. DEMOGRAPHIC PROFILE OF RESPONDENTS

Understanding the profile of the respondents is crucial to validating the weight of the findings. The sample was heavily skewed towards high-value sectors.

TABLE I: DEMOGRAPHIC PROFILE (N=100)

Variable	Category	Frequency	Percentage
Industry	IT / Software	45	45%
	Banking & Finance	30	30%
	Retail / Manufacturing	15	15%
	Others	10	10%
Designation	Facility Manager	40	40%
	CEO / Business Owner	35	35%
	Finance Head	25	25%

Pune is an IT hub, so it's not surprising that the IT/Software sector is so important (45%). Of greater importance, 75 percent of the respondents (CEOs and Facility Managers) are the decision makers. This makes the data very credible since we do not survey low level workers, but rather we are asking those who write the checks.

B. DESCRIPTIVE STATISTICS: THE DECISION MATRIX

Respondents were asked to rank five key factors influencing their lease selection on a scale of 1 (Most Important) to 5 (Least Important).

TABLE II: RANKING OF LEASE SELECTION FACTORS

Rank	Factor	Mean Score (Lower is Better)
1	Location & Connectivity	1.8
2	Lease Cost / Commercial Terms	2.1
3	Sustainability / CRM Initiatives	2.9
4	Building Aesthetics / Amenities	3.4

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 2, August 2026
Impact Factor: 8.2

Rank	Factor	Mean Score (Lower is Better)
5	Developer Reputation	3.8

In the past, "Amenities" (like gyms and cafeterias) were more important than sustainability. But this data shows a change in the structure. Sustainability (2.9) is now more important than Amenities (3.4). This means that after the pandemic, renters care more about a building that is "healthy and efficient" than one that is "pretty." The most significant factors have remained to be location and cost but sustainability has emerged as the most significant factor at the Quality category.

C. HYPOTHESIS TESTING: BIVARIATE CORRELATION

It is to verify the association between the particular green features and the desire to lease that Pearson correlation was used.

TABLE III: CORRELATION MATRIX

Variable	(1)	(2)	(3)	(4)
(1) Lease Selection Intention	1			
(2) Green Certifications	0.71	1		
(3) Energy Efficiency	0.58	0.62	1	
(4) Waste Management	0.45	0.41	0.38	1

Note: $p<0.01$, * $p<0.05$

- **GREEN CERTIFICATIONS (r=0.71):** There is a very strong positive link between the two. This backs up Hypothesis H1. Tenants see certifications as a big reason why they choose a place to live.
- **ENERGY EFFICIENCY (r=0.58):** A strong link, probably because of the "Behavioural Belief" that saving money is good.
- **WASTE MANAGEMENT (r=0.45):** There is a moderate link between the two. It is important, but not as noticeable as a LEED plaque or a solar roof. This supports the idea that "Signaling" (Visibility) is important.

D. MULTIPLE REGRESSION ANALYSIS

A regression model was created to find out how much of the change in "Lease Selection" could be explained by the independent variables.

- **MODEL SUMMARY:** R2 = 0.58. This means that the sustainability factors in our model can help us guess 58% of the time which lease to choose.

TABLE IV: REGRESSION COEFFICIENTS

Predictor	Beta (β)	t-value	Sig. (p)	Status
(Constant)	0.85	1.95	0.042	

Predictor	Beta (β)	t-value	Sig. (p)	Status
Green Certifications	0.55	4.88	0.001	Significant
Energy Efficiency	0.38	3.12	0.005	Significant
Community Programs	0.12	1.05	0.280	Not Significant

- **Green Certifications (beta = 0.55):** This is the main thing that predicts. If the visibility or quality of certifications goes up by one unit, the chance of being chosen goes up by 0.55 units. This strongly supports Signaling Theory; tenants depend on quality badges.
- **Energy Efficiency (beta = 0.38):** This confirms Hypothesis H2. One big reason is operational efficiency (saving money and carbon).
- **Community Programs (beta = 0.12):** This is a very interesting result. "Social" programs are good for public relations, but they don't have a big impact on the decision to lease. Tenants won't rent a building just because the landlord supports a charity; they'll rent it because the building is useful.

V. DISCUSSION

The findings of this study represent a significant departure from traditional real estate marketing wisdom.

A. The "Green Signal" Effect

The most notable of the findings are that the most common are the Green Certifications. In pre-leasing (as in the information-poor world where a tenant has no time to check the building out before signing the contract), certification serves as a substitute of trust. LEED Platinum certificate indicates that you are environment conscious and that your management is of Grade A. This follows what Barone et al. (2000) remarked regarding the fact that fit is very important. In commercial real estate the fit between the product (building) and the cause (environment) is optimal.

B. SUSTAINABILITY AS A "HYGIENE FACTOR"

An element of the marketing theory is a Hygiene Factor (Herzberg), which does not necessarily bring pleasure but renders individuals dissatisfied in its absence. The information we gathered suggests that sustainability has ceased to be a Motivator (a beneficial addition) and it became a Hygiene Factor.

Especially in the case of the 45% of our respondents who are in the IT sector the global ESG reporting is a requirement. It is unlikely that people seeking a building in Pune will decide to pass by it without a simple Green Certification. The reason why the correlation (r=0.71) is so high is that of the so-called Gatekeeper effect. It is a binary filter to most tenants who are big.

C. THE DIVERGENCE OF ACQUISITION VS. RETENTION

It is beneficial to compare these results with the existing CRM literature. Most CRM studies say that "Emotional Connection" and "Sincerity" are what keep customers loyal to a brand. But during the high-stakes acquisition phase of B2B leasing, "Verification" comes before "Emotion." Tenants don't like to take risks. They would rather have a verifiable certificate (Signalling) than a heartfelt story when they are choosing. The "Emotion" may help keep them (Retention), but the "Certificate" is what gets them in the door (Acquisition).

D. SECTOR-SPECIFIC NUANCES

The study was centred on Pune, a centre for IT and finance. This context is very important. Tenants in manufacturing or small-scale retail may not place as much importance on these factors. But in the "Grade A" commercial market, the tenant profile is becoming more and more global. These global tenants bring their values (and rules) from the EU and US, which means that Indian developers have to raise their standards to stay competitive.

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 2, August 2026
Impact Factor: 8.2

VI. MANAGERIAL IMPLICATIONS

Going by the empirical evidence, we have suggested the strategic property developers Green Marketing Playbook in Pune:

- **SELL THE BADGE, NOT THE CAUSE:** The developers tend to conceal their certifications in smaller print. We find that it is the most powerful selection force. Put the LEED/IGBC logo on the front page of the brochure, on the hoarding, and in the lobby. Think of it as a logo for a high-end brand.
- **QUANTIFY THE "GREEN" VALUE:** "Energy Efficiency" was the second strongest predictor. Don't just say things like "Eco-friendly." Use numbers in your marketing: "This building's solar integration will save your company ₹5 Lakhs per year in CAM (Common Area Maintenance) charges." Make sustainability sound like it will help your business.
- **ALIGN WITH TENANT ESG GOALS:** Teach leasing teams to ask potential tenants about their ESG goals during the first meeting. If a tenant wants to reach "Net Zero by 2030," market the building as a "Partner in your Net Zero Journey." This changes the landlord from a vendor to a strategic partner.
- **DIFFERENTIATE MARKETING SPEND:** Hard certifications should be secured and publicized through the use of the Acquisition Budget. Soft community engagement events should be run through the use of the Retention Budget. Do not mix the two strategies.

VII. LIMITATIONS AND FUTURE RESEARCH

A. LIMITATIONS

- **GEOGRAPHIC FOCUS:** The research is confined to the Pune area. Results may vary in ultra-premium markets such as Mumbai (BKC) or Delhi (NCR), but Pune is a typical Tier-1/Tier-2 hybrid city.
- **CROSS-SECTIONAL NATURE:** This study is like a snapshot in time, so it can't tell if the tenants who chose green buildings actually stayed longer (Retention).
- **SELF-REPORTED DATA:** The data is based on what tenants say they care about. There is always a chance of "Social Desirability Bias," which is when people say they care more about the environment than they really do.

B. DIRECTIONS FOR FUTURE RESEARCH

- **LONGITUDINAL STUDIES:** Future researchers should track these same 100 tenants over 3-5 years to see if their "Green Lease Selection" resulted in enhanced satisfaction.
- **PRICE SENSITIVITY ANALYSIS:** One important question that hasn't been answered is, "How much more rent is a tenant willing to pay for these green signals?" A conjoint analysis study could figure out how much the "Green Premium" is in Rupees.
- **Comparative Studies:** Comparing the "Green Sensitivity" of IT tenants vs. Manufacturing tenants would provide deeper segmentation insights for industrial park developers.

VIII. CONCLUSION

This paper validates this claim that Cause-Related Marketing in commercial real estate has evolved to a greater degree than philanthropy. Sustainability is not just a moral issue in the present-day leasing business landscape in Pune but also a good selling point.

Considering Green Certifications through the prism of Signalling Theory, we can tell that they are quite significant mechanisms that can help tenants reduce their exposure to risk. Not only is the developer who invests in sustainability and markets it well saving the planet, but they are also getting the lease. As ESG rules get stricter around the world, the "Green Signal" will probably be the most important factor in the success of commercial leasing in the next ten years.

REFERENCES

1. I. Ajzen, "The theory of planned behaviour," Organizational Behaviour and Human Decision Processes, vol. 50, no. 2, pp. 179-211, 1991.
2. M. J. Barone, A. D. Miyazaki, and K. A. Taylor, "The influence of cause-related marketing on consumer choice: does one good turn deserve another?" Journal of the Academy of Marketing Science, vol. 28, no. 2, pp. 248-262, 2000.
3. T. Kaur and P. Solomon, "A study on automated property management in commercial real estate: a case of India," Property Management, vol. 40, no. 2, pp. 247-264, 2022.
4. J. W. Pracejus and G. D. Olsen, "The role of brand/cause fit in the effectiveness of cause-related marketing campaigns," Journal of Business Research, vol. 57, no. 6, pp. 635-641, 2004.
5. P. R. Varadarajan and A. Menon, "Cause-related marketing: A coalignment of marketing strategy and corporate philanthropy," Journal of Marketing, vol. 52, no. 3, pp. 58-74, 1988.
6. M. Spence, "Job Market Signaling," The Quarterly Journal of Economics, vol. 87, no. 3, pp. 355-374, 1973.
7. A. Bhatia and S. Gupta, "Green Buildings in India: A Review of Regulations and Market Trends," Journal of Indian Real Estate, vol. 12, no. 1, pp. 45-60, 2021.
8. World Green Building Council, "The Business Case for Green Building: A Review of the Costs and Benefits for Developers, Investors and Occupants," 2023.