IMPLEMENTATION OF GREEN MANAGEMENT IN IMPROVING COMPANY IMAGE AND CONSUMER SATISFACTION

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Abstract

This research is a literature review which aims to analyze the role of green management implementation in improving company image and consumer satisfaction. The method used is a systematic literature study of various scientific sources, including relevant journal articles, books and conference proceedings. The study results show that green management practices, such as efficient waste management, use of renewable energy, and application of sustainability principles in operational processes, contribute positively to the formation of an environmentally friendly and socially responsible company image. A positive company image then influences consumer satisfaction and loyalty, because consumers tend to support companies that are in line with the sustainability values they adhere to. However, this study also found gaps in the literature regarding differences in influence between industries, limitations of long-term studies, and a lack of analysis of mediating and moderating factors in the relationships studied. Therefore, further, more in-depth and contextual research is needed. This study provides theoretical contributions to the development of green management literature as well as practical implications for companies in building reputation and long-term relationships with consumers through sustainability strategies.

Keywords: Green Management, Company Image, Consumer Satisfaction

INTRODUCTION

In today's modern era, the issue of sustainability and environmental sustainability has become a major concern in the business world. Climate change, environmental pollution and scarcity of natural resources require companies to focus not only on financial profits, but also on social and environmental responsibility. Sustainability is no longer an option, but rather a strategic necessity so that companies can survive in the long term (Sayed,

2023). This paradigm gave birth to a greener and more environmentally friendly management concept known as green management.

Today's consumers also show increasing awareness of environmental issues. They not only judge products or services by quality and price, but also by how the company produces, manages waste, and its contribution to nature conservation. Consumer demands for ethical and sustainable business practices encourage companies to carry out transformations in their operations (Trisnawati et al., 2022). This includes the use of renewable energy, reducing carbon emissions, and environmentally friendly packaging.

In this context, green management appears as a strategic approach that integrates environmental aspects into all company managerial activities. Green management practices include energy efficiency, waste management, recycling, use of environmentally friendly raw materials, as well as educating employees and consumers about the importance of sustainability (Blaginin et al., 2023). With consistent implementation, green management not only helps reduce environmental impacts, but also increases the company's added value in the eyes of the public.

One of the positive impacts of implementing green management is the formation of a positive company image. When a company is known as an entity that cares about the environment, this can create trust and loyalty among consumers. An environmentally friendly company image can also attract potential investors, business partners and employees who have aligned values and vision (Wang et al., 2024). Thus, a good company image not only has an impact on reputation, but also on overall business performance.

Company image is the public's perception of the company's identity and values. In the highly competitive modern economy, a positive image is an important differentiator among companies offering similar products or services. The image formed through commitment to the environment shows the company's integrity and social responsibility, which ultimately strengthens the company's position in the market (Rout & Srivastav, 2023). Therefore, green management becomes a strategic tool in building and strengthening the company's image.

Furthermore, a positive company image also contributes directly to consumer satisfaction. Consumers who feel they support socially and environmentally responsible companies will feel more emotionally and morally satisfied. This satisfaction is not only limited to product quality, but also to the values reflected in the company's business activities (Davarpanah, 2023). In

the long term, this can increase customer loyalty and create stronger relationships between consumers and companies.

Consumer satisfaction is a crucial element in maintaining business sustainability. Satisfied customers are more likely to make repeat purchases, recommend products to others, and provide constructive feedback (Karatepe et al., 2023). Therefore, understanding the factors that influence consumer satisfaction, including the contribution to the company image formed through green management, is important in developing long-term oriented business strategies.

Based on the description above, this research aims to examine in more depth how the implementation of green management can improve the company's image and lead to increased consumer satisfaction. Through a literature review, it is hoped that this research can provide conceptual understanding and findings that are useful for companies in designing management strategies that are environmentally friendly and oriented towards customer satisfaction.

RESEARCH METHOD

This research uses a systematic literature review method or literature study as the main approach. This approach aims to collect, analyze and synthesize various previous research results that are relevant to the topics of green management implementation, company image and consumer satisfaction. The data sources used in this study come from scientific journal articles, academic books, research reports and conference proceedings that have high credibility. Inclusion criteria in literature selection include publications in Indonesian and English that were published in the last ten years, have thematic relevance, and accountable research methods. Meanwhile, exclusion criteria include literature that has not passed the peerreview process, is not relevant to the core topic, or has significant methodological limitations.

The data collection technique was carried out by conducting a systematic search through various scientific databases such as Google Scholar, Scopus, and ScienceDirect using keywords such as green management, corporate image, and consumer satisfaction. After that, an initial selection process was carried out based on the title and abstract, then examined in more depth through a thorough reading of the contents. The selected literature was then analyzed using a thematic analysis approach to identify the main themes that emerged from various sources. Next, literature mapping

was carried out to map the relationships between concepts and narrative synthesis to assemble the findings in an integrated manner in the context of this research. This method allows researchers to present comprehensive results, as well as identify research gaps as a basis for recommendations for further studies (Earley, M.A. 2014; Snyder, H. 2019).

RESULT AND DISCUSSION

Implementation of Green Management in Various Industries

Implementing green management has become an important strategy for various industries in responding to global environmental challenges and increasing consumer demands for sustainable business practices. Various case studies from the literature show that industrial sectors such as manufacturing, hospitality, food and beverage, and transportation have begun to integrate sustainability principles into their operations. Companies such as Unilever, Toyota, and Starbucks are frequently cited examples in the literature because of their sustainable and measurable green initiatives (Abualigah et al., 2024).

In the manufacturing industry, green management is generally focused on energy efficiency, reducing waste, and using more environmentally friendly raw materials (Prakash et al., 2024). For example, Toyota applies the lean manufacturing concept which is aligned with sustainability principles to reduce waste and carbon emissions at every stage of production. Studies show that this approach not only reduces environmental impact, but also increases efficiency and lowers production costs in the long term.

The hotel industry is also widely highlighted in green management studies. Many hotels have implemented programs such as the use of renewable energy, reducing the use of single-use plastics, waste water management, and environmentally friendly certification such as Green Key or LEED (Tiwari et al., 2024). Studies from the literature reveal that hotels that implement green policies tend to receive higher ratings from customers and stronger loyalty, especially from environmentally conscious tourists.

The food and beverage (F\&B) sector faces unique challenges, especially in food waste management and packaging use. Starbucks, for example, has introduced a recycling program and the use of reusable cups as part of their green management efforts (Diwakar & Roy, 2024). A review of the literature shows that F\&B companies that implement this approach are not only able to reduce waste, but also improve their image as a socially responsible brand.

In the transportation and logistics sector, green management is more focused on reducing carbon emissions and fuel efficiency. Companies such as DHL and Tesla have been pioneers in introducing electric vehicles and distribution systems based on renewable energy (KUMAR, 2024). Studies show that although the initial investment in green technology is large, the long-term benefits are significant, both in terms of operations and consumer perception.

Even though there are many best practices in implementing green management, it cannot be denied that there are still various challenges. Some of these include the high initial costs of adopting green technology, lack of employee awareness and training, and regulatory constraints in some regions (Singh et al., 2023). The literature also notes the existence of internal resistance within organizations that do not yet recognize the importance of sustainability as part of key business strategies.

However, the literature review confirms that companies that are able to overcome these challenges and implement green management consistently will gain significant competitive advantages. These best practices not only have an impact on internal efficiency, but also directly contribute to improving the company's image in the eyes of the public (Setyadi et al., 2023). Thus, implementing green management in various industries is a strategic step that not only has an impact on the environment, but also on long-term business success.

The Influence of Green Management on Company Image

Green management has a significant influence on the formation and improvement of the company's image. Numerous empirical studies show that companies that integrate environmentally friendly practices into their operations tend to be perceived more positively by consumers, investors and the general public. The company's image as a socially and environmentally responsible entity is an added value that differentiates the company from competitors, especially in a market that is increasingly aware of sustainability issues (Bhattarai, 2023).

In the literature, various studies state that consumers tend to trust and appreciate companies that implement green management more transparently. For example, research by Chen (2010) shows that green marketing and environmental initiatives directly increase positive perceptions of the company and strengthen its brand image (Tanova & Bayighomog, 2022). Consumers see practices such as reducing carbon emissions, using

environmentally friendly raw materials, and sustainable packaging as clear evidence of a company's commitment to sustainability.

Other empirical studies conducted in the manufacturing sector show that companies that implement green production principles tend to gain a better reputation in the eyes of the public. In Indonesia, research by Putri and Hadi (2020) shows that manufacturing companies that are active in sustainability reporting and environmental CSR programs receive more positive assessments from customers and stakeholders (Altenburg et al., 2024). This proves that green management has a real impact on external perceptions of the company.

Comparisons between industries show that the impact of green management on corporate image can vary. In the hotel industry, company image is greatly influenced by environmental perceptions because this sector is directly related to customer experience. Hotels that implement waste management systems, energy efficiency and environmental conservation programs are often perceived as "classy" and "with integrity", enhancing their brand image and value in the eyes of consumers (Susanto, 2023).

On the other hand, in the transportation and energy sectors, implementing green management is often seen as an effort to improve the previously negative image due to the industry's contribution to pollution. In this case, green management functions as an image restoration strategy (Chigbu & Umejesi, 2024). For example, energy companies that switch to renewable energy sources or logistics companies that use electric vehicles will receive greater appreciation because they are considered to have carried out a positive transformation.

The food and beverage industry shows a strong influence of green management on image, especially due to increasing consumer attention to supply chain sustainability. Studies conducted on large brands such as Nestlé or Starbucks show that initiatives such as the use of organic ingredients, biodegradable packaging, and ethical practices in sourcing raw materials greatly impact consumer perceptions of the brand (Rana et al., 2024). This is further reinforced by effective brand communication through environmental labels, green certification or sustainability campaigns.

Overall, green management is not only a tool to meet regulations or market trends, but also functions as an effective image building strategy. In various industries, the impact is visible through increasing public trust, customer loyalty and company competitiveness. Empirical evidence from the literature supports that companies that successfully implement green management consistently and authentically will gain sustainable reputational advantages in an increasingly competitive market.

The Effect of Green Management on Consumer Satisfaction

Green management not only impacts the environment and company image, but also has a significant influence on consumer satisfaction. Consumers today are increasingly concerned about the production process and the social impact of the products they consume. Research shows that when consumers know that a product is produced through an environmentally friendly process, they tend to feel more satisfied because their purchases are in line with their personal values towards sustainability and social responsibility (Guo, 2024).

A study by Chang and Fong (2010) states that green management can create a higher quality perception of products or services, because consumers assess environmentally friendly products as healthier, safer and more responsible. Companies that implement green practices such as recycling, energy efficiency and the use of organic materials are generally perceived as companies that care about consumers and the environment. This positive perception increases consumer satisfaction emotionally and functionally (Hasan et al., 2024).

Furthermore, consumer loyalty is often formed from satisfaction arising from the belief that the company has a long-term commitment to sustainability. Consumers who are satisfied with the company's green management efforts will tend to make repeat purchases and recommend the product to others (Irum, 2022). A study by Hartmann & Ibáñez (2006) found that green branding supported by real practices had a positive influence on customer loyalty, even exceeding the influence of price in some cases.

The role of company image is key in bridging green management and consumer satisfaction. The company's image as an environmentally friendly company strengthens consumers' confidence that they are making the right choice (Roy, 2022). This means that even though consumers do not directly witness the sustainable production process, their perception of the company's green image is an indicator of their perceived quality and commitment. In other words, company image mediates the relationship between green management and consumer satisfaction.

Empirical studies support this mediating role. Research by Nguyen et al. (2020) show that a positive company image as a result of green management plays an important role in building trust and satisfaction. Consumers feel more

comfortable and satisfied when they believe that the companies they support care not only about profits, but also about the welfare of the environment and society at large. Without a strong corporate image, green management may not be fully translated into positive value by consumers (Gupta et al., 2024).

However, it is also important to note that green management that is symbolic or just an image (greenwashing) can actually reduce consumer satisfaction. Consumers who realize the discrepancy between a company's claims and actual practices may feel deceived, which ultimately reduces their trust and satisfaction (Mulla & Hasan, 2022). Therefore, companies must ensure that their green branding communication is in line with the actual implementation of green management in order to have a positive and sustainable influence on consumers.

Overall, the literature shows that the implementation of authentic and transparent green management has a significant influence on consumer satisfaction. By increasing perceptions of quality, moral values and trust in the company, green management becomes an important strategy in building strong long-term relationships with customers. In this case, the company image acts as a strategic bridge that connects the company's internal activities with consumers' external perceptions and experiences.

Critical Analysis and Research Gaps

Various literature examining the implementation of green management, company image, and general consumer satisfaction shows consistency in the finding that environmentally friendly business practices tend to have a positive impact on consumer perceptions and attitudes. Many studies conclude that companies that implement green management can improve their image and build consumer loyalty. These findings are consistent across industries and geographic regions, confirming that green management has become an important factor in marketing strategy and reputation management.

However, deeper analysis reveals variations in methodology, industry context, and respondent characteristics that may influence the validity of the findings. Some studies only use a quantitative approach with consumer perception data without directly considering managerial implementation aspects. Meanwhile, some other studies use a case study approach which tends to be limited in terms of generalization. This creates challenges in drawing comprehensive conclusions about the effectiveness of green management in various contexts.

Apart from that, differences in results between industries are a critical note. In sectors such as hotels and food and beverage, the influence of green management on consumer image and satisfaction appears to be very strong, because consumers have high expectations of sustainability. However, in the heavy industry and mining sectors, the influence appears to be weaker, possibly because public perception of this sector is already negative or because green management implementation has not been carried out comprehensively. This indicates that the industrial context is a moderator variable that has not been sufficiently explored in many studies.

One of the identified research gaps is the lack of longitudinal studies that evaluate the long-term impact of green management on consumer satisfaction and loyalty. Most studies are cross-sectional, capturing only consumers' momentary perceptions. In fact, loyalty and satisfaction are dynamic constructs that can change over time depending on the consistency of the company's actions. Thus, long-term studies are needed to see the continuity between green strategies and consumer perceptions.

Apart from that, there is minimal exploration of mediating and moderating variables such as company image, consumer personal values, or cultural factors in influencing the relationship between green management and satisfaction. Some literature states that consumers with high environmental awareness are more sensitive to green strategies, but there are not many studies that differentiate the influence of green management on different consumer segments. This opens up opportunities for further research using a consumer segmentation approach.

Furthermore, there are still limitations in understanding the implementation of green management from the company's internal side. Many studies focus more on external (consumer) perceptions, without discussing how this strategy is formed, the challenges in implementing it, and how management integrates sustainability aspects into organizational culture. In-depth qualitative studies involving interviews with managers or operational staff can provide a more complete understanding of green management practices.

By considering critical analysis and existing research gaps, there is a great opportunity to conduct further research that is more comprehensive and integrative. Future research could combine quantitative and qualitative approaches, involve cross-industry, and consider new variables that play a role in strengthening the relationship between green management, corporate image, and consumer satisfaction. Thus, this study not only broadens

academic insight, but also provides practical contributions to the business world in developing sustainability strategies that have real impacts.

CONCLUSION

Based on the results of the literature review, it can be concluded that the implementation of green management has a significant positive impact on company image and consumer satisfaction. Various studies show that companies that implement environmentally friendly practices tend to be perceived as more responsible and have a good reputation in the eyes of the public. Green management, when implemented consistently and authentically, not only builds a positive image, but also strengthens consumer loyalty and satisfaction with the company's products and services.

In addition, corporate image is proven to play an important mediating role in the relationship between green management and consumer satisfaction. Consumers feel more satisfied and trust companies that are committed to sustainability. However, there are still gaps in the literature that indicate the need for further research, especially regarding industry context, consumer segments, and long-term evaluation. Therefore, green management is not only an environmental strategy, but also a relevant business strategy for building sustainable company value and competitiveness.

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