Innovations in Marketing Strategies to Enhance the Value-Added of Forestry Products in the Perspective of Sustainable Business

Dodi Sukmayana
University Winaya Mukti, Bandung, Indonesia
Email: sukma221970@gmail.com

Abstract

Innovative marketing techniques are now essential for raising the value-added of products in the age of globalization and intensifying market competition, particularly in the forestry industry. This article examines numerous cutting-edge marketing techniques that can be used to raise the value-added of forestry products while taking into account sustainable business practices. This study uses a literature review methodology to look at contemporary writings on marketing tactics, the added value of forestry goods, and the idea of sustainable business. The study's findings suggest that integrating digital technology, in-depth market knowledge, and sustainable practices might lead to efficient marketing methods that enhance the value-added of forestry goods. Furthermore, including sustainable business practices into marketing plans can improve customer confidence in brands, the longevity of natural resources, and brand reputation. In order to create greater value-added and sustainable enterprises, this article offers strategic advice for forestry sector stakeholders to adapt and adopt innovation in their marketing strategies.

Keywords: Innovative Marketing Strategies, Value-Added of Forestry Products, Sustainable Business.

A. INTRODUCTION

The forestry industry contributes significantly to the global economy both as a source of natural resources and as an industry that employs millions of people worldwide. To remain relevant and competitive, the forestry industry must, nevertheless, increase the added value of its products in light of growing global market rivalry and shifting customer tastes (Neves, Trombin, Marques, & Martinez, 2020). Consumers today tend to favor goods made using sustainable practices that demonstrate social responsibility and concern for the environment (Weinstein, 2020). The forestry sector needs to implement cutting-edge marketing techniques that not only highlight the quality of the product but also how it was made in a sustainable manner. Research and development of marketing plans that can raise the added value of forestry products while assuring long-term economic viability are urgently needed (Shvets, Tryfonova, & Baranets, 2022).

The idea of sustainable business has taken center stage in recent decades across numerous industries, including the forestry sector. Unprecedented economic growth has been accompanied by a rise in the overuse and exploitation of natural resources, which has led to ecological deterioration and sustainability issues (Sun et al., 2022). Consumers' changing purchasing habits toward ecologically friendly goods reflect their growing awareness of how the products they use affect the environment (Sedej
There is a rising market for forestry goods that are not only of excellent quality, but also made in a sustainable and environmentally beneficial way. Awareness of environmental sustainability, in particular in the agri-food industry, has sparked a shift toward organic and less-impactful production methods (Vinci et al., 2022). To fulfill the rising demands of consumers, the forestry sector must adapt creative and sustainable business strategies (Berliandika, Isfianadewi, & Priyono, 2021).

In order to address the issues the forestry industry is facing, innovative marketing techniques are essential. The forestry sector may position its goods as a choice that is socially and environmentally responsible while still satisfying customer requirements with the correct marketing approach. Business operations based on socially responsible marketing concepts, for instance, are becoming more significant in the age of innovation as businesses recognize the need to conduct their operations in a manner that considers the social and environmental effects of their actions (Yefremova, n.d.).

It is difficult to implement innovation in marketing strategy, especially in a sector like forestry where company traditions and practices are well-established. The public now criticizes forestry firms for their poor management of forest resources, high energy use, high exhaust emissions, and water pollution. Corporate social responsibility policies in the forest industry are receiving more attention as a result of globalization and rising public expectations for the sustainable use of forests, as well as the environmentally conscious nature of forest firms (Morozov, Kozyreva, & Morozova, n.d.). Additionally, it is impossible to overlook how digital technology is incorporated into marketing plans. Digital technology gives businesses the chance to connect with a larger audience, better understand consumer preferences, and forge lasting relationships with clients. Consumers are becoming more appreciative of marketing initiatives that take into account the social and environmental implications of corporate activities as a result of the digital transformation, which is changing consumer behavior and business marketing perspective significantly (Radzikhovska, 2021).

To adhere to sustainable business standards, this technology must be used carefully. While there are numerous benefits of digital technology, such as an increase in client base and a speeding up of corporate processes, businesses must make sure that their digitalization strategy adheres to social responsibility and environmental sustainability. Consumer loyalty is a significant sign of corporate efficiency in the digital age, and digitization has had an impact on how organizations manage their client portfolios in the insurance sector, for instance (Tkachenko, 2022). Study of marketing tactics innovation in the framework of forestry products’ added value and sustainable business is crucial. The idea of sustainability has evolved into one of the strongest market change agents in the current era of globalization, becoming a crucial component of competitiveness and corporate strategy (Vacchi et al., 2021). It is envisaged that new strategies will emerge from this research that will aid the expansion and advancement of the forestry sector. It’s critical for the forestry industry...
to take a sustainable stance in light of technological advancements that allow businesses to reduce their negative environmental impacts while adding value to society (Bahri, Ramli, & Prasetyo, 2020). It is envisaged that new strategies will emerge from this research that will aid the expansion and advancement of the forestry sector. It's critical for the forestry industry to take a sustainable stance in light of technological advancements that allow businesses to reduce their negative environmental impacts while adding value to society.

In the framework of sustainable business, this research attempts to comprehend how innovation in marketing tactics might raise the added value of forestry goods. This study examines the difficulties the forestry sector is facing in the age of globalization in an effort to find fresh strategies that can ensure environmental sustainability while allowing the sector to compete in the market (Cheah, Shimul, & Parker, 2021). This study also aims to investigate how consumer perceptions of forestry goods may be affected by the use of digital technologies in marketing strategies and how this may assist sustainable business practices. This study aims to provide strategic advice to those involved in the forest industry on how to use digital technology most effectively in order to achieve corporate sustainability (Radzikhovska, 2021). In the framework of sustainable business, this study focuses on how new marketing tactics might raise the added value of forestry goods. What are the primary obstacles the forestry industry faces in the age of globalization when implementing cutting-edge marketing strategies? Next, how does customer perception of forestry goods change as a result of the incorporation of digital technologies into marketing strategies? How can the forestry industry use digital technology to improve relationships with customers and win their loyalty in the context of sustainable business? And finally, based on research findings about the employment of digital technology in their marketing plans, what strategic recommendations can be made to forestry sector stakeholders?

B. METHOD

In order to comprehend how creative marketing approaches can raise the added value of forestry products in the framework of a sustainable business, we used the Literature Review (LITREV) approach in this study. Using this strategy, we carry out systematic reviews of scholarly writing, journal articles, business reports, and other publications pertinent to the study’s subject. The primary method for gathering data involved searching popular academic databases including Google Scholar, Scopus, and Web of Science. Only the most pertinent and recent sources were used in the review due to the establishment of inclusion and exclusion criteria. The literature that analyzes cutting-edge marketing tactics in the forestry sector, particularly those that increase product added value and promote corporate sustainability, makes up the population of this LITREV. The relevance, methodological excellence, and contribution to the field’s knowledge were taken into consideration when choosing the sample of literature for review. The primary themes that emerged from the literature were identified and categorized using thematic analysis after the literature
had been gathered. These themes are then combined to paint a complete picture of how cutting-edge marketing techniques might be used in the forestry sector to accomplish sustainable business objectives.

C. RESULT AND DISCUSSION

1. How can innovation in marketing strategy increase the added value of forestry products in the context of a sustainable business?

According to published research, creative marketing techniques including value-based marketing, sustainable marketing, and digital marketing can raise consumer awareness of the sustainability of forest products. As a result, demand may rise and the product’s value may grow (Cheah, Shimul, & Parker, 2021). An analysis of sustainable business practices in the Mediterranean olive oil industry revealed the emergence of a circular business model that derives value from waste and byproducts using a circular bio-economy approach. These models seek to improve the useful use of olive trees by going beyond customary methods of value production. The findings demonstrate the emergence of various cutting-edge companies that are focused on bioenergy production, driven by environmental concerns, and have expertise in the field of olive waste valorization (Donner & Radić, 2021).

Innovation in marketing tactics is essential in the current era of globalization if we are to increase the added value of products, particularly in the forestry sector. Innovative marketing techniques have been successful in raising consumer awareness of the sustainability of forest products, including digital marketing, value-based marketing, and sustainable marketing (Cheah, Shimul, & Parker, 2021). Because of this heightened awareness, there is a rising demand for sustainable forestry goods, which raises their added value.

Several industries, including the Mediterranean olive oil industry, have adopted a circular business strategy that generates value from waste and byproducts through a circular bio-economy. This business model tries to expand the established patterns for value creation to include more utilitarian uses of trees. For instance, a number of inventive companies have developed in the field of olive waste valorization. These companies are motivated by environmental concerns and are primarily concerned with producing bioenergy (Donner & Radić, 2021). The added value of items can be increased by creative marketing techniques, but there are obstacles that must be overcome. One of them is reluctance to adapt, particularly in sectors with a lengthy history like forestry. Furthermore, there are difficulties in comprehending and utilizing digital technology, which are becoming a crucial component of contemporary marketing methods.

It is impossible to exaggerate the value of education and training in assisting stakeholders in the forest sector to comprehend and apply cutting-edge marketing techniques. Resistance to change can be overcome with the correct training, allowing the forestry industry to fully capitalize on cutting-edge marketing techniques. Collaboration amongst industry participants is crucial, including customers, marketers, and manufacturers. Together, they may pool their expertise, resources, and
best practices to raise the added value of forestry products and ensure the viability of their businesses.

The way the forestry sector engages with its customers has evolved as a result of the incorporation of digital technologies into marketing initiatives. Technologies like social media, analytics, and data-driven marketing help businesses obtain a deeper understanding of consumer preferences so they may modify their goods and services to meet shifting consumer demands. This not only raises brand recognition but also deepens connections with clients, ultimately boosting client retention and loyalty. Consumers are now more likely to select products that are created in an environmentally friendly way as a result of the growing sustainability trend. The forestry sector has a distinct edge in this regard since it can position its goods as more environmentally friendly alternatives to those with higher carbon footprints. To realize this potential, enterprises must make sure that sustainable practices are integrated across their supply chains. Another important component of an inventive marketing approach is consumer education. The industry may boost demand and, eventually, the added value of their products by educating consumers about the advantages of sustainable forestry products. This calls for an efficient marketing plan that not only advertises the product but also informs customers about sustainability and the advantages of purchasing forestry products for the environment. The forestry industry must keep innovating and adapting to market developments in order to guarantee the long-term viability of creative marketing techniques. This could entail funding for research and development, employee training, and coordination with other industry stakeholders to exchange information and resources.

2. What are the main challenges faced by the forestry industry when implementing innovative marketing strategies in the era of globalization?

The need for training and human resource development are among the main obstacles, along with reluctance to change and a lack of knowledge of digital technology. Additionally, it might be difficult to maintain creative marketing tactics' adherence to sustainability ideals (Radzikhovska, 2021). When attempting to incorporate cutting-edge marketing methods into their business practices, the forestry industry, like many other industries, encounters difficult obstacles. Resistance to change is one of the key difficulties. In many instances, long-established businesses like forestry may find it challenging to absorb novel ideas, especially if they diverge from accepted corporate norms (Radzikhovska, 2021). One major obstacle is a lack of awareness of digital technology. Although there is considerable potential to boost efficacy through creative marketing methods, research on this topic is still lacking, as seen by studies on the wine business (Usmonova, 2023). Social media and analytics are two examples of digital technologies that demand specialized knowledge and abilities to use successfully. Another significant issue is the requirement for training and development of human resources. According to halal industry study, social media marketing techniques must be implemented differently from traditional marketing strategies and with a thorough awareness of how technology may be used to boost
customer interaction and gain a competitive advantage (Yul Zamrudi & Il-Hyun, 2022).

It might be difficult to maintain new marketing techniques’ adherence to sustainability ideals. Making sure that the environmental and social benefits of the product are highlighted in product marketing is necessary in the context of the forestry business. Globalization, climate change, urbanization, digitalization, and consumption habits focused on sustainability have been found to affect consumer dynamics in the ornamental horticulture business (Gabellini & Scaramuzzi, 2022). The forestry sector must therefore make sure that its marketing strategies take these changes into account and provide products that meet shifting consumer wants and tastes.

Public and commercial initiatives to establish sustainable and high-value manufacturing systems and supply chains face difficulties in creating and integrating. Collaboration amongst industry players, including producers, marketers, and consumers, is crucial to overcoming these obstacles. Adoption of new technologies is essential in the current digital world. Nevertheless, forestry businesses may find it difficult to adopt cutting-edge technology. Since many forestry businesses have been using the same technologies for many years, switching to a digital platform may involve a major time and resource commitment. In order to obtain deeper insights into markets and consumers, it is also necessary to combine data from many sources, which without the correct knowledge can be a challenging undertaking.

Brand awareness and value generation are more crucial than ever due to the rising level of competition in international markets. To differentiate itself in a crowded market, the forest industry must successfully communicate the distinctiveness and sustainability of its products. However, selecting the best marketing plan to reach your target audience might be difficult given the abundance of communication channels accessible. The requirement to continuously monitor and modify tactics in response to feedback and market changes. Strategic alliances and collaboration are more crucial than ever. Collaboration with other industry stakeholders, such as suppliers, distributors, and even competitors, is necessary to address the difficulties facing the forestry sector. The forestry industry can find creative solutions to the problems it faces, assure long-term growth and sustainability, and share knowledge, resources, and best practices.

3. How the integration of digital technology in marketing strategies influences consumer perceptions of forestry products?

Using digital tools like social media and data-driven marketing, the forestry sector can talk with customers directly and inform them about the sustainability of its products. This could boost consumer confidence and affect how they make purchases (Tkachenko, 2022). Consumers have easy access to a wealth of information in the modern digital age, allowing them to quickly compare goods from different businesses. Consumers can share experiences and product reviews through digital technology, especially social media, which might affect how other consumers view
them (Suhartini et al., 2021). With the use of digital technology, the forestry sector can talk with customers directly and inform them about the sustainability of its products. This could raise consumer knowledge of the green benefits of forestry products and affect how they choose to spend their money (Tkachenko, 2022).

The forestry business may better understand consumer preferences using data-driven marketing, allowing them to modify their marketing plan to meet those needs (Handayani et al., 2022). The forestry sector may improve consumer connection with their businesses by utilizing digital technology. This can be accomplished through interactive marketing initiatives, games, and compelling content that encourages the sustainability of products (Syahputra, 2023). While there are many advantages to using digital technologies, there are also difficulties. One of them is the stakeholders in the forest industry’s aversion to change and ignorance of digital technologies. In this day and age, security and trust are crucial. Customers are more likely to purchase goods from businesses they believe in. As a result, the forestry sector must make sure that its digital marketing approach fosters confidence and security (Yasar & Polat, 2022). The forestry sector must create an integrated digital ecosystem that addresses every stage of the value chain, from production to marketing, in order to fully realize the potential of digital technology (Syahputra, 2023). The forestry sector must keep up with technology advancements and adjust their digital marketing tactics to stay current and satisfy shifting consumer expectations.

Personalization Using Digital Technology: The capacity to provide personalization is one of the key benefits of using digital technology. The forestry sector can provide goods and services that are customized to each customer’s needs and tastes thanks to thorough consumer data research. This improves consumer happiness while also fostering a closer bond between the brand and its customers (Handayani et al., 2022). The forestry sector can more effectively segment the market thanks to digital technology. Understanding consumer traits and behavior enables businesses to target specific market segments with more effective marketing tactics, improving return on investment (ROI) (Suhartini et al., 2021). The forestry business has benefited greatly from the marketing potential of social media. Industries may communicate with customers directly through social media sites like Facebook, Instagram, and Twitter, get their input, and modify their marketing plans in response. Using social media, the business can create a devoted following of people who will promote its brands (Yasar & Polat, 2022). Sentiment analysis is evolving into a useful tool as the forestry industry’s online presence grows. The market is able to comprehend consumer views and feelings around a specific product or marketing campaign using sentiment analysis. This offers insightful information that may be applied to enhance product and marketing strategies (Syahputra, 2023).

4. How digital technology can be utilized by the forestry industry to build closer relationships with customers and increase their loyalty?

The forestry sector can offer a digital platform for customer contact, gather feedback, and tailor goods or services based on customer requirements. This could
boost client satisfaction and continued support (Bahri, Ramli, & Prasetyo, 2020). The
following is a development on how digital technology in a sustainable business
context can be used by the forestry industry to foster stronger ties with consumers and
boost their loyalty. It is based on a review of research from different scholarly journals.
Consumer behavior is ever-evolving. They have higher expectations for the goods and
services they use now that they are better informed. The forestry sector can
comprehend and react to these altering habits more swiftly thanks to digital
technologies (Suhartini et al., 2021). The forestry sector can communicate with clients
directly through digital channels, hear their opinions, and adjust products or services
as necessary (Bahri, Ramli, & Prasetyo, 2020). With the use of digital technology, the
forestry sector is able to communicate information about its sustainable practices with
customers in a way that fosters trust and increases consumer loyalty (Jankovic-Zugic
et al., 2023).

Digital technology in the forestry sector can provide solutions that are
customized to specific demands while still being sustainable and environmentally
beneficial (Li, Lin, & Zhang, 2023). The forestry sector can boost productivity, cut
waste, and ensure that sustainable practices are applied across the value chain
through digitizing supply networks (Jankovic-Zugic et al., 2023). Social media is now
a potent instrument for advancing sustainability and cultivating client relationships.
The forestry sector may inform consumers about the advantages of sustainable
forestry products and share tales about its sustainability initiatives on social media
(Butkovskaya & Ivliev, 2021). The forestry sector must create a digital ecosystem that
prioritizes sustainability in order to realize the full potential of digital technology. This
ecosystem ought to cover all facets of the company, from marketing to natural
resources (Syahputra, 2023). The relationship between the forestry industry and its
clients will continue to change as a result of the quick advancement of technology. To
fulfill evolving client expectations and maintain these partnerships, the forest industry
must continue to develop and adapt its strategy (Yasar & Polat, 2022).

Enhanced Customer Experience: The forestry sector may provide clients a
richer experience with the use of digital technologies. Customers can gain a greater
understanding of a product’s origins by taking virtual tours of sustainable forests or
production processes using virtual reality or augmented reality, for instance
(Handayani et al., 2022). Digital technology offers an efficient platform for educating
customers about the significance of sustainability. Webinars, video tutorials and other
interactive content can be used to enlighten customers about the industry’s sustainable
practices and how they can participate (Li, Lin, & Zhang, 2023). Data Use for Better
Service: The forestry business may better understand consumer demands and
preferences by gathering and analyzing customer data. This enables the sector to
provide goods and services that more closely match client requirements, boosting
satisfaction and loyalty (Butkovskaya & Ivliev, 2021). The forestry sector may create
an online community of clients, partners, and brand evangelists with the aid of digital
technologies. This group can be used as a forum to exchange concepts, solicit opinions,
and advance sustainability efforts (Jankovic-Zugic et al., 2023).
5. What strategic recommendations can be given to forestry industry stakeholders based on research findings regarding the use of digital technology in their marketing strategies?

It is advised to invest in digital technology, train human resources, work with other stakeholders to exchange knowledge and resources, and create marketing plans that emphasize the sustainability and added value of the products (Vacchi et al., 2021). The following is a development of strategic recommendations that may be made to stakeholders in the forestry industry based on research findings addressing the use of digital technology in their marketing strategies. It is based on a literature review from numerous scientific journals. The secret to success is using the appropriate digital technology, which you should select based on business demands and marketing objectives. Each technology has unique benefits and drawbacks. Therefore, before implementing a technology, stakeholders must be aware of its features and possibilities (Mukhsinov & Ergashxodjayeva, 2022). Investing in digital technology must be matched with training for human resources, according to education and training. Employees that have received proper training will be better able to use digital technologies to improve client relationships and build customer loyalty (Vacchi et al., 2021). Digital marketing tactics can be improved by working together with various stakeholders, including communities, technology providers, and marketing professionals. The effectiveness and efficiency of marketing can be improved by exchanging information and resources (Nalbant & Aydin, 2022). It is crucial to create a marketing plan that emphasizes product sustainability and additional value. Digital technology can be used to emphasize the added value of items for customers and to encourage sustainability (Vacchi et al., 2021).

Use of Data for Better Decisions: Using data gathered through digital technology, marketing decisions can be more precisely focused. Data analysis can shed light on market trends, consumer preferences, and the success of marketing initiatives (Vollrath & Villegas, 2021). Successful digital marketing depends on a strong customer focus. Consumer happiness and loyalty can be raised by using digital technology to listen to consumer input, comprehend their demands, and modify marketing strategies in accordance with those needs (Tkachenko, 2022). Beyond marketing, supply chains can also benefit from the use of digital technology to boost productivity, save waste, and assure sustainability (Jankovic-Zugic et al., 2023). To ensure their efficacy, digital marketing initiatives must be routinely assessed. Based on this assessment, tactics can be modified to address changing consumer and market needs (Butkovskaya & Ivliev, 2021).

Integration of Digital Technologies with Traditional Practices: Although integrating digital technologies with traditional practices has many benefits, it is crucial for the forestry sector. By doing so, the industry’s fundamental principles and long-term viability will be preserved while taking full advantage of the benefits of digital technology (Handayani et al., 2022). Real-time monitoring of forest conditions is possible for the forestry industry with the use of smart sensors and the Internet of
Things (IoT). This makes it possible to spot environmental changes or illicit activity early on, ensuring the sustainability of resources (Li, Lin, & Zhang, 2023). Building a Special Digital Platform for the Forestry Industry can make it easier for producers, distributors, and consumers to communicate with one another. Information regarding products, sustainable practices, and environmental projects can be shared via this platform (Butkovskaya & Ivliev, 2021). Customers can get an immersive experience on the production process and sustainability of forest products using Augmented Reality (AR) and Virtual Reality (VR) technologies. This could raise customer awareness of and appreciation for the sector’s environmental initiatives (Jankovic-Zugic et al., 2023).

D. CONCLUSION

Digital Technology’s Importance for the Forestry Sector. The forestry industry is currently facing both difficulties and opportunities that have never been present before due to globalization and digitization. Digital technology has demonstrated to be a vital instrument for fostering sustainability, growing consumer loyalty, and developing customer interactions. The forestry sector can better understand consumer wants, respond to market changes, and provide more sustainable solutions through the use of digital technologies. Integration of Sustainability and Technology: Due to the forestry sector’s reliance on natural resources, sustainability is now a requirement rather than an option. Digital technology may help these sectors advertise their sustainability initiatives, maintain transparency, and foster consumer trust. When applied appropriately, digital technology may help industries change in ways that are more inclusive and sustainable. According to the research’s conclusions, it is crucial for stakeholders in the forest industry to keep funding cross-sector cooperation, human resource development, and digital technologies. The forestry industry can assure its future success while benefiting the environment and society with an integrated strategy and a focus on sustainability.

REFERENCES


