



A Study on Online Payment System and its Influence on Sustainable Marketing Strategies

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DOI: <https://doi.org/10.70333/ijeks-04-03-021>

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Article Info: - Received: 14 December 2024

Accepted: 23 February 2025

Published: 28 February 2025



In the current scenario, the role of online payment systems is crucial in shaping sustainable marketing practices. With the rapid growth of digital transactions, businesses are increasingly adopting these technologies to enhance customer convenience, build trust, and boost consumer engagement. This research investigates how both businesses and consumers are adopting online payment platforms and how these systems contribute to promoting sustainable marketing practices. Data will be collected using both questionnaires and interviews. The questionnaires, distributed via Google Forms, will target consumers and businesses separately. For consumers, the focus is to understand their behavior, preferences for sustainable products, and how online payment systems influence their purchasing decisions. For businesses, the aim is to explore how they incorporate digital payment solutions into their sustainability strategies and engage eco-conscious customers. Additionally, interviews with industry experts will provide qualitative insights into the evolving relationship between online payments and sustainable marketing. The findings of this research are expected to offer valuable guidance for businesses and marketers to align their strategies with environmental goals while addressing the expectations of a digitally connected consumer base.

Keywords: *Digital Payment, Online Payment, Sustainability, Strategies, Marketing Practice.*



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1. INTRODUCTION

In today's era, the digital age, online payment systems have become an essential component for conducting business transactions worldwide. Almost all businesses are now

reliant on electronic payment systems, and commercial transactions are shifting toward digital platforms. It is crucial to understand the impact and role of online payment systems today. This is because online payment methods

not only make our financial transactions easier but also influence how sustainable marketing strategies are developed. As we all understand, sustainable marketing strategies promote environmentally responsible products and services. They focus on providing long-term value to customers. As all businesses and transactions are adapting to the changing environment, it becomes crucial to understand the role of digital payments in the future development. Online payment systems not only facilitate transactions but also play an important role in supporting businesses with the development of sustainable marketing technologies and promoting eco-friendly products, while aligning with global environmental trends. These systems do not focus solely on market profits but also consider the impact on the environment and society. Sustainable marketing strategies allow businesses to generate long-term benefits, enhancing customer experiences, promoting environmentally friendly options, and integrating socially responsible practices into business models.

Furthermore, the increasing demand for digital payments is driving innovation in eco-conscious technologies. Many businesses are now integrating paperless billing, energy-efficient processing, and blockchain transparency in their systems. These innovations are not only reducing environmental damage but also attracting a new generation of environmentally aware consumers. The shift toward sustainability is also reinforced by regulatory frameworks encouraging green fintech. As environmental awareness increases, businesses are finding strategic value in aligning digital finance with sustainability. This synergy between technology and ecology is paving the way for responsible commerce.

This study aims to explore the relationship between online payments, sustainable marketing tactics, and how commercial businesses use digital payment systems and digital finance as tools to adopt eco-friendly practices. It also examines how this can strengthen the principles of corporate social responsibility. Through this study, the main goal is to understand how online payment systems

can support stable business models and how they can be shaped. Additionally, the research aims to provide insights into how marketers, policymakers, and business leaders can adopt responsible and forward-thinking practices through smart marketing technologies.

2. REVIEW OF LITERATURE

The article from Global Payments highlights the growing consumer demand for sustainable payment options, driven by a desire to reduce environmental impact. Traditional payment methods like paper and plastic contribute to waste and pollution, whereas digital payments have a lower environmental footprint. Digital payments, such as digital wallets, QR codes, and online payment links, reduce resource consumption and waste. They also offer speed, convenience, and security for consumers. Businesses adopting these sustainable payment methods not only help the environment but also improve operational efficiency, reduce costs, and enhance customer satisfaction. This shift toward digital payments is increasingly seen as a vital step in supporting a more sustainable future (www.globalpayment.com/2023).

Pay Retailers discusses how digital payment methods can contribute to a more sustainable future for businesses. It highlights the growing consumer demand for sustainable practices, with 52% of consumers prioritizing sustainability when making purchases. By adopting digital payments, businesses can reduce resource consumption, waste, and carbon emissions, while offering customers faster, more secure transactions. The article also emphasizes the importance of adopting alternative payment methods like digital wallets and payment links, which are more eco-friendly and enhance customer loyalty. Overall, it argues that digital payment systems align with environmental goals while improving business efficiency and customer satisfaction (payretailers.com). Consumer's awareness of sustainability influences their adoption of eco-friendly payment systems, ultimately encouraging businesses to implement greener practices. The research emphasizes the need for businesses to incorporate sustainable payment options as part of their broader corporate responsibility strategies. It suggests that payment innovations such as digital wallets

and contactless payments can reduce waste and improve resource efficiency, making them essential tools in driving sustainability. The study also underscores the mediation effect that consumer awareness has in bridging the gap between technology adoption and actual sustainable practices. (www.frontiersin.org).

Evolution of sustainability in marketing over the past five decades. It emphasizes the need for businesses to shift from market-driven practices to more responsible, market-driving strategies that promote sustainable consumption and production. The paper outlines a framework for integrating sustainability into corporate marketing strategies and highlights government interventions to support sustainable practices. The authors argue that marketing must evolve to not only respond to consumer needs but also actively drive markets toward sustainability goals, fostering eco-friendly and socially responsible business models. (Jagdish N. Sheth and Atul Parvatiyar, 2021). Sustainable marketing practices are essential for long-term business success, as they balance profitability with social responsibility. Companies that incorporate Corporate Social Responsibility (CSR) and sustainability into their marketing strategies build a strong brand reputation, gain consumer trust, and achieve competitive advantages (Banerjee, 2001; Belz & Peattie, 2012; Lii & Lee, 2012). Sustainable marketing contributes to both economic welfare and societal progress. (Leonidou et al. 2013) emphasize the need to consider cultural and regional differences while implementing sustainable practices. As consumer preference for green and ethical brands increases, authenticity becomes critical, while green washing can harm brand trust (Ottman, 2017). Future research should focus on analyzing the adoption of sustainable marketing in small and medium-sized enterprises (SMEs), as most current studies focus on larger corporations. It is also essential to study the long-term economic impact of sustainability across different industries and regions. Additionally, analyzing the role of digital marketing and technological innovations in promoting sustainability can provide valuable

insights into enhancing both profitability and social responsibility.

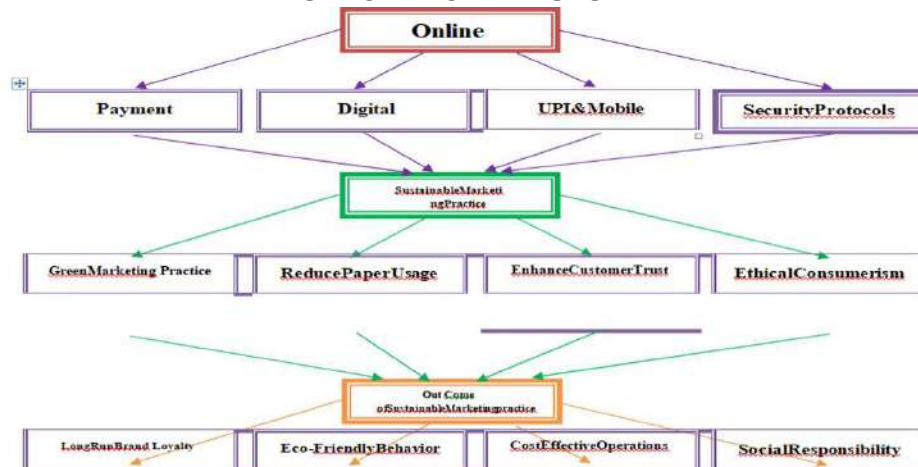
3. NEED/IMPORTANCE OF THE STUDY

The online payment system has brought a revolution in business transactions in today's modern world, making it essential for all companies to align their payment methods with sustainable marketing strategies. By encouraging paperless transactions, companies contribute to environmental sustainability and reduce the carbon footprint. This digital payment system enhances transparency and accountability in business transactions, fostering trust among consumers and strengthening ethical practices. Additionally, online payment systems improve customer convenience, increase brand loyalty, and promote responsible purchasing behavior, enabling the inclusion of underserved communities. More importantly, in the global market, adopting sustainable payment methods helps companies maintain competitiveness and respond to constantly changing customer expectations. Considering these factors, online payment systems reduce costs, streamline financial processes, ensure long-term profitability, and protect consumer and merchant transaction data, enhancing trust. Therefore, studying the impact of online payment systems on sustainable marketing strategies is crucial for understanding their role in achieving business growth while promoting environmental and social responsibility.

4. OBJECTIVES OF THE STUDY

- To analyze the role of online payment systems in sustainable marketing strategies.
- To assess the impact of digital payments on consumer behavior and preferences.
- To explore the environmental benefits of adopting digital payment methods.
- To examine the integration of online payment systems with eco-friendly business practices.
- To provide recommendations for aligning payment systems with sustainable marketing initiatives.

5. MODEL OF THE STUDY



Online payment system emphasizes its components such as Payment gateway(Secure payment between Merchants and Customers),Digital Wallets (Store card and financial information), UPI& Mobile Payments(Peer to peer Financial transfer) and Security Protocols (Encrypted and Secured information) . These Components will influences the sustainable Marketing Strategies and Practices like Green Marketing Practice (Reduces carbon foot print) , Reduced the Paper work (Paper based invoices & Receipts), Enhances customer trust and ethical Consumerism (offer secure , ethical payment& reliable transactions). This influencing factors will leads to build the Long term Loyalty towards Brand (Customer Satisfaction). Increases the practice of Eco friendly behavior (Eco conscious behavior by reduce wastages) helps the organizations to perform cost effective operations (Reduces Manual Process) as well as Corporates Social responsibility (CSR).

6. RESEARCH METHODOLOGY

In this research study, the researcher adopted a mixed-method approach, incorporating both primary and secondary data collection methods to gain a comprehensive understanding of the factors influencing sustainability marketing practices. For the primary data collection, the researcher designed a Google Form questionnaire, which was then distributed to a selected group of respondents. The aim of this survey was to gather first-hand insights into the effects and influential factors of sustainability marketing practices from the target population. By utilizing this tool, the researcher was able to collect real-time, direct responses that reflect the opinions, attitudes, and behaviors of individuals in relation to sustainability marketing.

For the secondary data collection, the researcher conducted a thorough review of existing literature. This involved studying a variety of articles and academic papers on sustainability marketing, which were sourced from various reputable websites and databases.

7. SURVEY RESPONSES

Question	Very Significantly	Somewhat	Not Much	Not At All	Total
Q1:Towhatextentdoyoubelievetheseof online payment systems contributes to a business's sustainability efforts?	45	35	15	5	100
Q2: How likely are you to choose a business thatpromotesdigitalpayment optionsovertraditional methods,consideringitsenvironmental benefits?	85	9	6	0	100

Q3: Do you associate digital payment systems with positive environmental practices (e.g., reducing Paper waste, carbon footprint)?	100	0	0	0	100
Q4: How important is it for you that businesses reduce paper usage (e.g., through digital receipts and invoices) by offering online payment methods?	89	9	2	0	100
Q5: Do you think the adoption of online payment methods reduces the environmental impact of businesses by lowering their carbon footprint and reducing paper waste?	53	32	10	5	100
Q6: How likely are you to support a business that integrates eco-friendly business practices with its digital payment system (e.g., using renewable energy to power payment systems, eco-friendly rewards)?	86	14	0	0	100
Q7: Would you prefer to use a digital wallet or online payment system that partners with businesses to reduce their environmental footprint (e.g., carbon offset initiatives)?	51	39	6	4	100
Q8: How much does the security of online payment systems (e.g., encrypted transactions, secure payment gateways) influence your decision to trust and engage with a business that promotes sustainability?	47	24	23	6	100
Q9: How likely are you to remain loyal to a brand that offers secure, eco-friendly payment methods while promoting green marketing and sustainability?	57	29	9	5	100
Q10: What is the most important factor for you when choosing a business that uses digital payment methods in their sustainable marketing strategy?					
a) Environmental benefits (e.g., paper reduction, carbon footprint reduction)				6	100
b) Security and privacy of the payment system			23		
c) Ethical business practices (e.g., fair trade, eco-conscious products)		8			
d) Convenience and ease of use of the payment system	63				

8. GRAPHICAL REPRESENTATION OF OUTCOME

To what extent do you believe the use of online payment systems contributes to a business's sustainability efforts?

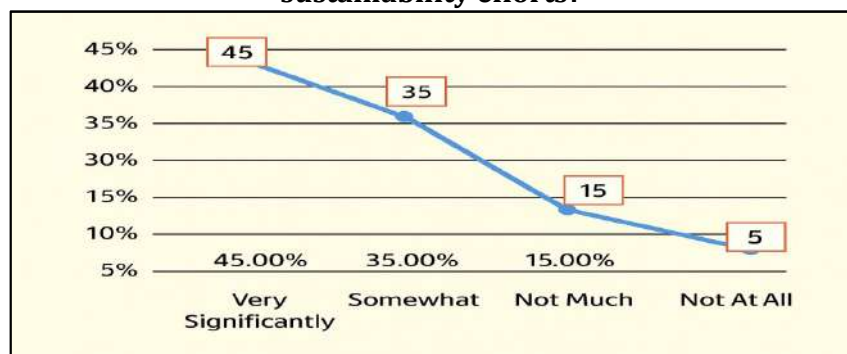


Fig-1

The survey results indicate that a majority of respondents (45%) believe that online payment systems contribute very significantly to a business's sustainability efforts. Another 35% feel that the contribution is somewhat significant, suggesting moderate confidence in the impact. Only 15% perceive little impact, while 5% believe online payment

systems do not contribute at all. Overall, more than 80% of respondents recognize at least some positive influence of online payment systems on sustainability. This suggests a generally favorable perception of digital payments supporting sustainable business practices.

How important is it for you that businesses reduce paper usage (e.g., through digital receipts and invoices) by offering online payment methods?

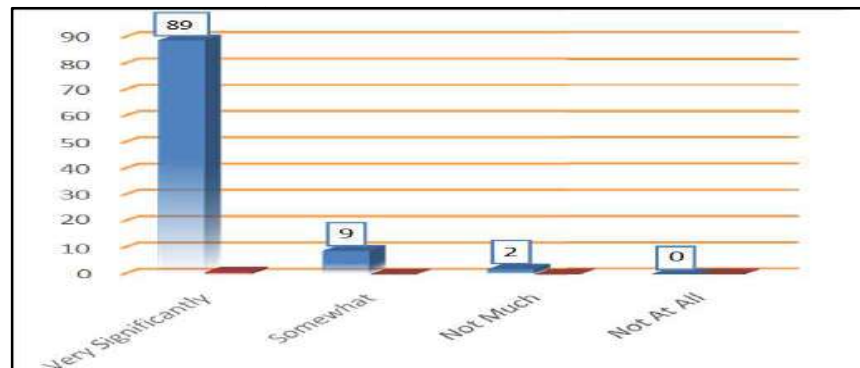


Fig-2

The results reveal that an overwhelming majority (89 respondents) consider it very important for businesses to reduce paper usage by offering online payment methods. Another 9 respondents find it somewhat important, indicating moderate concern about paper reduction. Only 2 respondents see it as not very

important, and none believe it is not important at all. Overall, more than 98% of respondents value the adoption of digital receipts and invoices as a means of promoting environmental sustainability. This highlights a strong preference for eco-friendly business practices.

Would you prefer to use a digital wallet or online payment system that partners with businesses to reduce their environmental footprint (e.g., carbon offset initiatives)?

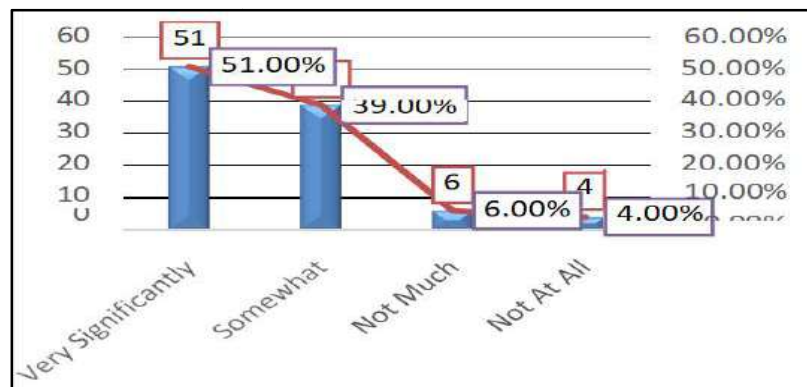


Fig-3

The results show that a majority of respondents (51%) would very significantly prefer using a digital wallet or online payment

system that partners with businesses to reduce environmental footprints. Another 39% somewhat favor such partnerships, reflecting a

positive inclination toward eco-conscious payment systems. Only 6% of respondents are not much interested, while 4% are not at all interested. Overall, 90% of the respondents demonstrate a clear preference for digital

payment solutions that align with environmental sustainability efforts. This indicates strong consumer support for green business initiatives.

How likely are you to remain loyal to a brand that offers secure, eco-friendly payment methods while promoting green marketing and sustainability?

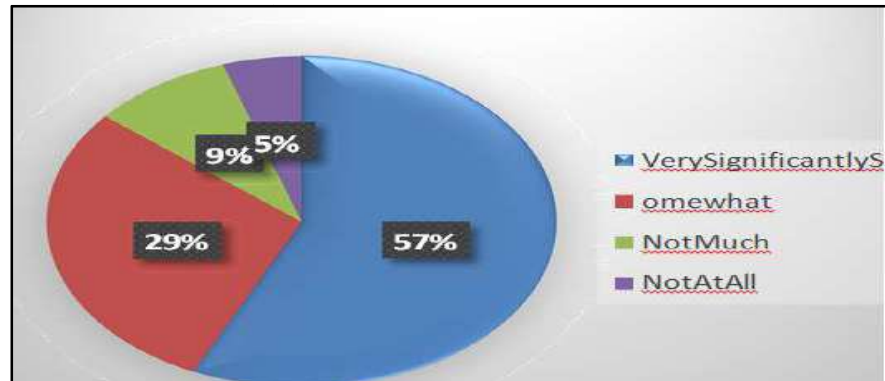


Fig-4

The results show that a majority of respondents (57%) are very significantly likely to remain loyal to a brand that offers secure, eco-friendly payment methods while promoting green marketing and sustainability. Another 29% are somewhat likely to stay loyal, indicating a moderate preference for such brands. About

9% show little loyalty, while only 5% express no loyalty at all. Overall, 86% of respondents demonstrate a positive inclination toward brands that align with environmental and sustainable values, suggesting that eco-conscious practices can enhance brand loyalty.

What is the most important factor for you when choosing a business that uses digital payment methods in their sustainable marketing strategy?

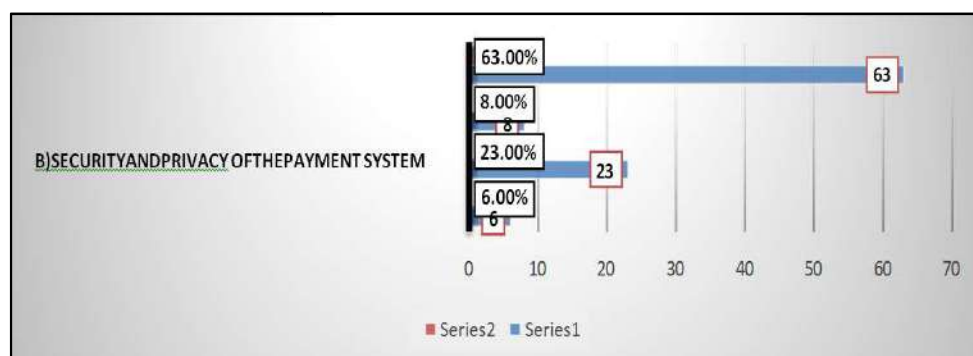


Fig-5

The results indicate that convenience and ease of use of the payment system is the most important factor for a majority of respondents (63%) when choosing a business that uses digital payment methods in their sustainable marketing strategy. Security and privacy rank

second, with 23% prioritizing these aspects. Only 8% of respondents consider ethical business practices as the key factor, while environmental benefits hold the least importance, with just 6% of respondents choosing this factor. This suggests that while

sustainability is valued, practicality and security are the primary concerns for most consumers.

9. DISCUSSION AND CONCLUSION

After analyzing all the above topics and survey results, the intention is to strive for environmental improvement alongside the benefits that everyone receives. However, the question remains whether the efforts for environmental improvement will succeed or fail. As shown in the first image, about 80% of respondents recognize at least some positive influence of online payment systems on sustainability. In the second image, more than 98% of respondents believe that using digital payments, digital invoices, and digital receipts can promote environmental sustainability.

Yes, adopting a digital payment system definitely reduces carbon footprints. For example, currently, when we pay cash or transfer money physically to someone, we have to travel by vehicle. Traveling by vehicle releases carbon dioxide, which contributes to the greenhouse effect and environmental pollution, negatively impacting the atmosphere and the environment.

However, the key point to note is that we need to understand what purpose an individual is using the online payment system for. For instance, when someone buys goods worth ₹50,000, instead of giving that amount in cash, they transfer ₹50,000 using an online payment or mobile payment system. Now, just because this person used an online payment system, it cannot be said that the company or business they are transacting with is practicing sustainable marketing. Similarly, just because the person used an online transfer, it does not mean they are concerned about the environment.

When someone pays a certain amount (in this case, ₹50,000), they are expecting to receive the goods in a manner that requires careful packaging. Companies often use plastic to package items, which is convenient and cost-effective. However, the use of plastic has significant environmental and health concerns. Plastic packaging contributes to pollution and is harmful to human health, as plastic materials often contain toxic substances that can leach into the environment. Moreover, the transportation

of goods, which typically involves vehicles powered by fossil fuels, releases carbon dioxide (CO₂) and other greenhouse gases into the atmosphere. This contributes to air pollution and climate change. The message highlights the environmental consequences of these practices both from plastic waste and vehicle emissions.

One aspect of reducing the carbon footprint involves using online payment systems without traveling by vehicle. On the other hand, when online payments are made, and goods are packed in plastic bags for delivery, it results in environmental pollution. In other words, while reducing one factor that contributes to environmental pollution, we are welcoming another factor that contributes to it. This cannot be termed as a sustainable marketing practice.

Sustainable marketing practices can only be considered as such when, from the production of goods to their final delivery and use by the customer, there is no negative impact on the environment. It is only when a product or service has no harmful effect on the environment at any stage before, during, or after use that it can be called a sustainable marketing practice.

While adopting digital payment systems can reduce carbon footprints, it doesn't automatically mean that the transaction is contributing to environmental sustainability. The key is that the purpose behind using the payment system matters. Using online payments doesn't inherently equate to supporting sustainable practices, whether for businesses or individuals. Therefore, environmental benefits depend on a broader context and the actual practices being supported or promoted.

10. SCOPE FOR FURTHER RESEARCH

The scope for further research lies in exploring the comprehensive impact of online payment systems beyond reducing carbon footprints. Future studies can analyze the alignment between digital payments and sustainable marketing practices by evaluating the end-to-end supply chain processes involved in the production, packaging, and delivery of goods.

Researchers can assess consumer awareness and attitudes toward sustainability when using digital payments and investigate

whether businesses adopting online payment methods also integrate eco-friendly practices. Additionally, examining the role of government policies and incentives in promoting sustainable payment ecosystems can provide insights into effective policy frameworks.

Studies can also focus on developing models to measure the net environmental impact of online transactions, considering factors such as plastic packaging, transportation emissions, and waste management. Understanding consumer preferences for sustainable packaging and evaluating the readiness of businesses to adopt environmentally responsible practices will be crucial.

Moreover, analyzing the adoption of carbon offset initiatives by payment gateways and businesses can help determine the overall contribution of online payment systems to environmental sustainability.

11. ACKNOWLEDGEMENT

I sincerely thank my guide Dr. Hemanth Kumar sir and my institution and faculty for their guidance and valuable feedback throughout this study on "A Study on Online Payment System and Its Influence on Sustainable Marketing Strategies." I am also grateful to the survey respondents for their participation, which provided essential data for analysis. Special thanks to my partner Ishwarya and my peers for their support and insightful discussions, and to my family for their patience and encouragement during this research.

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Cite this article as: Lokesh R and Dr. Hemanth Kumar S., (2025). A Study on Online Payment System and its Influence on Sustainable Marketing Strategies. *International Journal of Emerging Knowledge Studies*. 4(2), pp.234-242. <https://doi.org/10.70333/ijeks-04-03-021>