

Original Article

Green Strategy to Maintain Sustainable Growth and Competitive Advantage in Companies After the COVID 19 Pandemic

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ABSTRACT

The Covid-19 pandemic in early 2020 caused a huge shock in various sectors, including the business world. In this situation, all entrepreneurs must be able to develop their business recovery strategies and be optimistic about facing the post-pandemic period. In addition, this study proposes an integration of the "three greens"; elements of the model, which have also not been studied in the existing literature. This study presents a version for the applications of revolutionary green strategy approach. The consequences of this conceptual model display that it could be generalized mainly to industries which includes oil, gas, and petrochemicals, and may offer modern techniques that offer sound recommendations for the employer's roadmap for the next organizational development. The study provides strategic thinking for the long-term development of a company to achieve a sustainable balance between economic, social and environmental benefits, therefore, business managers are encouraged to carefully consider practical measures to improve environmental protection, because this will inevitably improve competitiveness.

INTRODUCTION

The Covid-19 pandemic in early 2020 caused a huge shock in various sectors, including the business world. Many collapsed and even went out of business, many tried to survive again. The year 2022 is predicted to be a year of economic recovery, but the shadow of the third wave of the Covid-19 pandemic has once again hit economic conditions with the release of a new Omicron variant, the Omicron Delta.

In this situation, all entrepreneurs must be able to develop business recovery strategies and be optimistic about facing the post-pandemic period. Businesses must also find new ways to better adapt to the changes in behavior that occurred during the pandemic. This fact shows that the negative impact of Covid-19 requires all companies to adjust their business strategies that have been used so far in response to the impact of the pandemic.

Studies conducted by Yu (2022) show that in the years before the pandemic, companies with high sustainable competitive advantage, or so-called "wide moat", earned lower average revenue and annual profits than companies without competitive advantage continuously or often called "non moat".

However, this phenomenon was reversed during period of the Covid-19 pandemic, when companies with a wide moat significantly outperformed other companies that supported a change in investment behavior towards high quality.

In addition, the evidence found in this study shows that Wide Moat companies showed significant positive share price increases in the capital market during the pandemic, which certainly did not happen before the Covid-19 pandemic. Additional evidence presented in this study suggests that companies with high levels of sustained competitive advantage may experience positive cumulative abnormal gains in the post-Covid-19 pandemic market.

However, the significance and magnitude of the abnormal cumulative return difference decreases over time.

This article discusses the company's strategy to grow and develop in the post-Covid 19 pandemic era, and seeking sustainable competitive advantages.

DISCUSSION

Sustainable Competitive Advantage

Sustainable competitive advantage is a totally critical factor for all varieties of agencies, because it determines the success and survival of the enterprise within the long term (Arsawan et al., 2022). A sustainable competitive advantage can also be defined as a skill (or set of competencies) or resource (or set of resources) that can supply an agency an advantage over its competition within the market, *ceteris paribus*. Of better groups. Notably higher and quot; (Wiggins & Ruefli, 2002). Studies additionally shows that a corporation's sustainable competitive advantage can be constantly stepped forward by optimizing the corporation's resources so they can't be easily imitated or changed by competitors (Barney, 1997; Baker & Sinkula, 2009).

From a number of the above studies, it is able to be concluded that a sustainable competitive advantage is a long-time period benefit that an enterprise has over competition, normally because of sure specific characteristics of a product, provider, or agency. Compared to conventional competitive advantage, a sustainable competitive advantage can last longer than a transient boom in income or recognition, resulting in a reliable enterprise recognition that attracts repeat clients. A sustainable competitive advantage may be very useful for a commercial enterprise as it enables construct unswerving clients and builds enterprise recognition through emphasizing the importance of constantly creating fine services and products for clients.

Sustainable competitive advantage is beneficial to businesses, specifically enterprises that promote products or services in exceedingly aggressive market segments which includes the era or automotive industries. Unlike competitive advantages in widespread, sustainable competitive advantage can final a long time, now and again longer than the release of any product or product line that initially improves the enterprise's image. Gaining public believe can offer some of benefits for a employer, consisting of:

- market position: a sustainable competitive advantage can without delay cause a corporation to take over element or all of a marketplace phase.
- new clients: an organization can attract individuals who are new to its products, and these new customers finally grow to be unswerving to the organization, accordingly in addition strengthening the enterprise.
- patron loyalty: clients of a business enterprise can become unswerving over the years because the company's popularity for producing satisfactory items or services consistently will increase.

The following are examples of the most common types of sustainable competitive advantage.

- a. Cost Advantage
One of the most well-known competitive advantages of sustainability is the cost advantage, where companies can compete on the price of their products. Cost can have a significant impact on consumer interest in a product or service, especially if the company offers a high-quality product at a reasonable price, which is often lower than that of competitors. For example, if two mobile operators sell the same model phone, but the other operator sells it for \$200 less, the company has a sustainable competitive advantage due to lower prices for products of similar quality.
- b. Market Advantage
Market advantage can occur when a firm dominates a particular market, often a niche market, with its unique products. Such a sustainable competitive advantage can have a significant impact on a company's image, as consumers may feel that certain companies are better qualified than others to sell products in certain market segments.
For example, if two companies launch shaving cream products, but one company primarily sells razor and hair removal products, while the other company sells body wash, the hair company will most likely have a market advantage because the company better understands existing trends and customer buying behavior in this segment.
- c. Value Advantage
Sustainable competitive advantage occurs when a firm assigns a certain value to a product or service that cannot be compared with similar products created by competitors. For example, if two companies sell tablets, but one company is known as the manufacturer of the tablet and was the first company to market it, consumers may perceive that company's product as more valuable because of its better quality. Although the quality of the two

tablets is the same. What's crucial is the consumer's belief of the business enterprise, which considers the enterprise to have a higher value than different businesses.

Green Strategy

Green strategy is conceptually described as a complementary commercial enterprise approach, among working strategy and asset. Green Strategy assists agencies inside the corporation's decision-making method to maximize their wonderful effect at the natural environment. Green Strategy is involved with the incorporation of environmental issues and dangers in decision-making for environmental sustainability. Importantly, such practices are applied voluntarily and sincerely enterprise obligation towards society and the surroundings and additionally towards sustainable benefits for stakeholders (Güner, 2018).

Green strategy is an extraordinary technique of the traditional approach. Thus, traditional strategies are only aware of the economic, social and political environment, taking into account the natural environment, the living environment and risks (Arfara & Samanta, 2020). In addition to specific methods towards a green strategy and goals, a green strategy in this context is considered a true corporate social responsibility towards stakeholders, including environmental issues in making business decisions that support the lifestyle and sustainability of the company culture and business decision-making for sustainability.

In line with Arfara & Samanta (2020), in the context of Green Strategy for sustainable overall performance, Green Strategy approach publications every choice made by means of a commercial enterprise with proper commercial enterprise good judgment and commonplace feel (Olson, 2008). On that basis, Green Strategy method is considered as the enterprise's core strategy, the business enterprise's guideline to maintain the enterprise's operations on the appropriate ethical and satisfy the duties expected via stakeholders. In essence, Green Strategy is aligned with enterprise strategy, operations strategy and asset strategy to create success for the business. Mainly, this resonance with commercial enterprise approach is manifested via its coverage of "services and products", "customers and companions", "markets and geography" (Olson, 2008). Its resonance with operations approach and assets is manifested via coverage of "procedures and facilities", "center skills and capabilities", "reviews and facts visibility", "flat structures and paperwork" and "hardware and device" (Olson, 2008)

The increasing level of stakeholder awareness of environmental emergencies has come to be a catalyst for groups to take instant action to evolve to stakeholder needs in helping environmental needs.

As a result, Green Strategy is normally approached as an enterprise complementary strategy (non-public or public, commercial or non-business) as a guideline for addressing environmental emergencies as exceptional as feasible. In this research state of affairs, the authors consciousness on business and personal companies because this institution is dominant in the country wide economic system. Furthermore, in preference to specializing in explaining the definition and conceptualization of inexperienced approach, this research explains and helps CSR projects and Green Strategy method implementation towards better environmental performance and sustainable enterprise overall performance

In Padash & Ghatari's studies (2020) connects principle and practice regarding the interaction of Green Strategy. In part, the selected strategic models are tailored to each other. Inside the subsequent phase, the reputation of the enterprise is examined from the point of view of the green strategy and measured based at the outcomes of the proposed conceptual model.

These days, growing empowerment techniques primarily based on health, protection and surroundings is one of the most important topics in control in agencies. This studies presents a version for the applications of revolutionary Green Strategy approach.

The consequences of this conceptual model display that it could be generalized mainly to industries which includes oil, gas, and petrochemicals, and may offer modern techniques that offer sound recommendations for the employer's roadmap for the next organizational development.

Green Strategy as a sustainable competitive advantage

In Le's study (2022) examines the relationship between green enterprise approach and sustainable company overall performance for SME's by way of exploring the mediating function of companies, social obligation and green innovation in particular contexts in developing nations.

This research proposes an integration of the "three greens"; elements of the model, which have also not been studied in the existing literature. In particular, green strategy, green corporate social responsibility and green integrated innovation aim to facilitate businesses, improve the level of environmental protection, increase sustainable competitive advantage and achieve corporate sustainability.

The study provides strategic thinking for the long-term development of a company to achieve a sustainable balance between economic, social and environmental benefits, therefore, business managers are encouraged to carefully consider practical measures to improve environmental protection, because this will inevitably improve competitiveness of companies and achieve sustainable business operations.

CONCLUSION

1. Companies must be able to develop their business recovery strategies and be optimistic about facing the post-pandemic period. Businesses must also find new ways to better adapt to the changes in behavior that occurred during the pandemic. Inevitably, the negative impact of Covid-19 requires companies to change their business strategies to respond to the impact of the pandemic.
2. Companies with a high level of sustainable competitive advantage, or commonly referred to as "wide moat" had a significant increase in positive share prices in the market in the mid-pandemic period, this was not the case in the period before the Covid-19 pandemic. Additional evidence presented in this study suggests that firms with high sustainable competitive advantage can earn cumulative abnormal positive returns in post pandemic Covid-19 markets.
3. The purpose of the green strategy is to encourage business activities, raise the level of environmental protection, increase sustainable competitive advantage and achieve a sense of corporate responsibility. This strategy provides strategic thinking for the long-term development of the company to achieve a sustainable balance between economic, social and environmental benefits, therefore business leaders are encouraged to carefully consider practical measures to improve environmental protection, because it will inevitably improve the competitiveness of companies and achieve sustainable business operations.

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