JOURNAL OF AGRIBUSINESS MARKETING
e-ISSN: 2289-5671
Volume 15, Issue 2, 2025
DOI: 10.56527/jabm.15.1.5

Open Access

Role of ESG on Service Sector Performance: A Systematic Literature Review and Future Research Directions

Norhana Mohd Aripin[a], Mohd Shahir Omar[a,b], Nor Rokiah Hanum[a*], Suhaidah Binti Hussain[a], Nur Sofia Nabila Alimin[a], and Muhammad Fakhrul Bin Yusuf[a]

[a]Faculty Industrial Management, Universiti Malaaysia Pahang Al-Sultan Abdullah; [b]Federal Agricultural Marketing Authority (FAMA)

*Correspondence: nrhanum@umpsa.edu.my

ABSTRACT:
In recent years, the significance of Environmental, Social, and Governance (ESG) in the service sector has gained attention from researchers and practitioners due to the recognized value of integrating ESG into effective strategies. However, there is a notable lack of comprehensive reviews exploring the impact of ESG on service sector performance, necessitating more in-depth research to gain a thorough understanding of how ESG influences performance with the implementation. Consequently, this research undertakes a systematic literature review with the following study objectives: (1) To examine the roles of ESG in enhancing service sector performance, and (2) To identify potential future research avenues concerning ESG in the service sector. The study follows a review protocol, formulates research questions, and systematically conducts searches using Scopus databases to ensure rigor and relevance in the analysis. The findings of the review demonstrate that the ESG positively affects a company's performance across various dimensions trust, financial benefits, corporate image, innovation, decision-making, risk mitigation, promotion of sustainable development goals, and business resilience. Furthermore, this paper provides valuable guidance for future researchers interested in exploring deeper into the investigation of ESG in the service sector. The outlined directions can aid in shaping future research initiatives and exploring the potential impact of ESG on service sector performance in more specialized ways. By undertaking such research, scholars can contribute to a better understanding of how ESG can drive positive outcomes and sustainable growth in the service sectors.

KEYWORDS: ESG, Service sector, Sustainability, Systematic literature review, Supply chain

MANUSCRIPT TYPE:
Research Paper

PUBLICATION DETAILS:
Received: 08 May 2025
Revised: 10 Aug 2025
Accepted: 06 Dec 2025

INTRODUCTION

ESG (Environmental, Social, and Governance) has become a worldwide issue, with organizations embracing its concepts worldwide (Atan et al., 2016; De Lucia et al., 2020). ESG components, particularly in Asia, have begun to be documented as they are recognized as major predictors of possible hazards, business value, and compliance with regulatory demands (M. A. Khalil et al., 2022). The growing interest in ESG may imply that it has become essential to a company's performance and frequently benefits many stakeholders (Al-Hiyari et al., 2023). ESG is important in organizations because it analyzes how businesses can meet the current generation's requirements without

compromising future generations' needs (Zahid et al., 2022). Furthermore, it ensures that investors allocate their funds to companies that prioritize environmental preservation, address social concerns, and maintain solid corporate governance practices. ESG has emerged as a crucial marker in the perspective of market participants, primarily driven by stringent regulatory enforcement, increased consumer consciousness regarding environmental and social concerns, and the unforeseen repercussions of the COVID-19 pandemic (Cardillo et al., 2022; Demers et al., 2021).

However, the relationship between ESG performance presents different evidence from previous researchers. Companies which focused solely on maximizing profits have neglected their ESG responsibilities. These duties, related to ESG, were perceived as having minimal influence on financial success and were often viewed as potential burdens due to associated cost increases (Wanday & Ajour El Zein, 2022). Similarly, research from Rahi et al. (2022) demonstrated a positive influence of ESG on financial performance in terms of return on assets. Nevertheless, there is a notable adverse impact on financial performance concerning metrics like return on equity, return on invested capital, and earnings per share. According to Egorova et al. (2022), several researchers have shown an insignificant relationship between ESG and market value and financial performance. Despite some variations in findings across studies, the majority of research consistently supports a robust positive correlation between ESG factors and corporate performance, rather than a negative one (Egorova et al., 2022).

Similarly, organizations in the service sector were rapidly recognizing the value of incorporating ESG concepts into their operations and strategy (Efthymiou et al., 2023). Regarding the environment, service sector were taking measures to lessen their impact on the environment by implementing sustainable practices, such as energy efficiency, waste reduction, and responsible sourcing of materials (Shahbaz et al., 2020; Wanday & Ajour El Zein, 2022). Regarding social, businesses enhance their relationships with employees, customers, and communities (Shahbaz et al., 2020). This involves initiatives to improve employee well-being, promote diversity and inclusion, and support local communities through corporate social responsibility programs (Bing & Li, 2019; Manzoor et al., 2019). Good corporate governance was becoming a priority for service sector companies, focusing on transparent decision-making processes, ethical behavior, and accountability (Xie et al., 2022).

Recently, ESG implementation has become increasingly important in food-related service industries, particularly in logistics, distribution systems, and supply chain management (Sharma, 2026). Organizations are under growing pressure to improve sustainability practices, supply chain due diligence, and stakeholder accountability within food and agricultural-related operations. The growing concern regarding sustainability, food safety and operational transparency has encouraged organizations to integrate ESG principles into their activities (De Giovanni, 2026; Sharma, 2026). In addition, stakeholder trust has become a critical factor in food and agricultural-related industries, as consumers and investors increasingly expect organizations to demonstrate ethical governance, environmental responsibility, and sustainable operational practices throughout the supply chain (Gold et al., 2026). Therefore, ESG practices are viewed as an important mechanism for strengthening sustainable performance within food related service sectors. Furthermore, sustainable agriculture and agri-food supply chain initiatives increasingly rely on effective operations and supply chain management practices to enhance long-term sustainability and collaborative performance among stakeholders.

Despite the growing interest in ESG within the service sector, previous researchers have conducted limited reviews regarding the role of ESG on service sector performance. Consequently, this limited research has sparked the motivation to conduct the present review. Supported by Yang and Han (2023), thorough future research issues will only be a complete understanding of the relationship between ESG and performance obtained. Hence, this study serves as an additional point for future

research in this field, giving a systematic review of the role of ESG in service sector performance and hopes to generate valuable future research in this area. Based on the discussion, the research questions for this study were developed; (1) What are the roles of ESG in service sector performance? and 2) What are the potential future research topics of ESG in the service sector?

METHODOLOGY

This section outlines the methodology used to access publications related to ESG in service sector performance. The approach involves rigorous procedures and criteria to identify and review relevant articles. The most used methods for conducting literature reviews include Preferred Reporting Items for Systematic Reviews (PRISMA) and Meta-Analyses, which served as the basis for the method utilized to locate the articles. PRISMA emphasizes the importance of analyzing randomized trials in review reports, making it a suitable starting point for conducting systematic reviews. Additionally, it provides explicit criteria for inclusion and exclusion, facilitating the identification of relevant publications for the review (Moher et al., 2009). According to PRISMA's founders, Moher et al. (2009), PRISMA is a useful technique for performing systematic reviews that emphasize randomized controlled trials as the major basis for research, including interventions. However, it can provide difficulties when reviewing qualitative and mixed-method study designs, necessitating careful attention and adaptation during the review process.

PRISMA conducts thorough searches across numerous scientific information sources and investigates all possible research routes, leaving no significant studies, ensuring a full and unbiased systematic review (Rosa & Broday, 2018). Based on the research selection criteria, the screening strategy can potentially reduce the volume of identified research, ensuring a more focused and relevant set of studies for further analysis (Moher et al., 2009). While PRISMA is often used in medical studies, it has a broader use because it tackles research concerns relevant to systematic reviews in general. As a result, it can be used appropriately in various other study topics, including this current research. Furthermore, PRISMA provides precise inclusion and exclusion criteria, facilitating the selection of specific research studies for systematic review.

Web of Science (WoS) and Scopus among the most important and reliable databases competing in a systematic literature review (Zhu & Liu, 2020). Thus, this article used Scopus as one of the databases. According to Al-Ryalat et al. (2019), the reason for collecting the articles from a single database due to Scopus yielded the maximum number of documents compared to WoS, hence emphasizing the need for further related papers need to be examined. Additionally, as stated by Patel et al. (2021), the Scopus database is the most extensive multidisciplinary repository of abstracts and citations, making it a crucial resource for relevant papers. Despite being a relatively new player, Scopus challenges the dominant position of the Web of Science (Innocent et al.) in the field. Scopus encompasses eight prominent journals: ScienceDirect, Emerald Insight, Taylor & Francis, Springer Link, Wiley-Blackwell, Inderscience, SAGE, and IEEE Explore (Aripin et al., 2023).

In July 2023, search strings for the Scopus databases were created after identifying all relevant terms. Two main keywords were selected based on the research questions: ESG and service sector. A dictionary and past studies were used in the study process to discover the synonyms, related terms, and modifications that could improve the research keywords. As a result, the term "service" was expanded to include "tertiary" and "nonmanufacturing," while "sector" was expanded to include "industry" and "job." As there was no adequate substitute for "ESG." the keyword remained unchanged. Then, using the updated keywords, the Scopus advanced searching tool was used to identify 265 articles from the database as a consequence of the search efforts.

Hence, this review solely covers journal papers since the exclusion criteria improve the quality of the results (Baashar et al., 2020). Furthermore, to avoid any problems caused by the requirement for

translation, only articles written in English were selected. Following the exclusion criteria, 221 items were finally selected for the next phase. Although there were no publication year constraints for this study, it is worth mentioning that the research related to ESG was only published in 2016 onwards, proving that this topic is emerging and has more potential to be explored. Table 1 outline the inclusion and exclusion criteria used for the articles.

Table 1. Inclusion and Exclusion Criteria

Construct	Indicator
Inclusion Criteria	Scopus-indexed articles
	Journal articles
	English language articles
Exclusion Criteria	Non-Scopus-indexed articles
	Conference proceedings, review articles, book chapters and books
	Non-English language articles

Out of the 221 articles, a manual evaluation by reading the titles and abstracts to ensure that the articles were based on relevant theories. During this stage, 131 articles were eliminated because the research does not discuss ESG as a complete approach, review articles, and were not conducted in the service sector, making it unsuitable for inclusion in the review paper. Hence, 90 articles were deemed appropriate for further analysis. Figure 1 summarizes a comprehensive flow diagram of the systematic searching process.

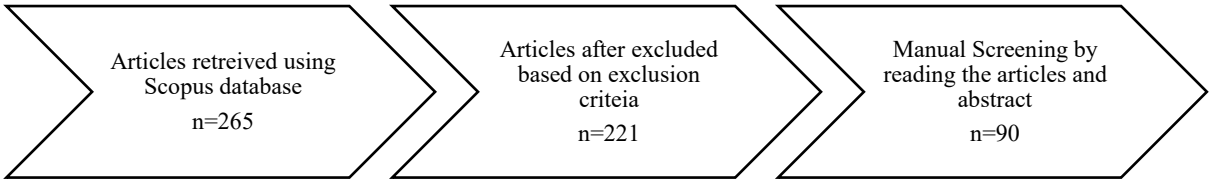

Figure 1. Search Process Flow Diagram

RESULT AND ANALYSIS

The analysis of results encompassed 90 articles, considering the specified research string used, the inclusion and exclusion criteria, and the manual screening process. The data revealed that one article was published in both 2016 and 2017. Following this, two articles were published in 2018, six in 2019, and four in 2020. However, a significant increase in interest was observed starting in 2021, with 14 articles being issued that year, followed by 31 articles in both 2022 and 2023. In conclusion, the analysis shows a significant increase in interest and research linked to ESG from 2022 onwards, indicating that this subject is growing as a key study area. Figure 2 provides a clear overview of the publication years of the analyzed articles.

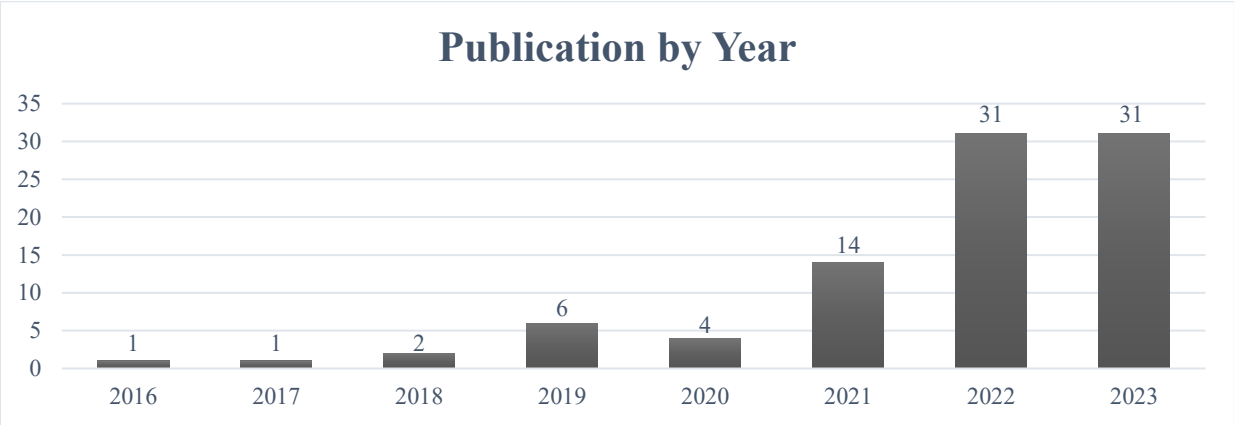

Figure 2. Year of Publication

In terms of publishing distribution by country, 14 articles were published in China and the United States. Following that, 12 articles were published in the United Kingdom, with 10 in South Korea and 10 in India, respectively. In addition, eight articles were published in Italy, while Germany, Malaysia, and Australia each had six articles. Five articles originated in Poland, and four did not mention the publishing country. Figure 3 provides a comprehensive summary of the publication distribution by country.

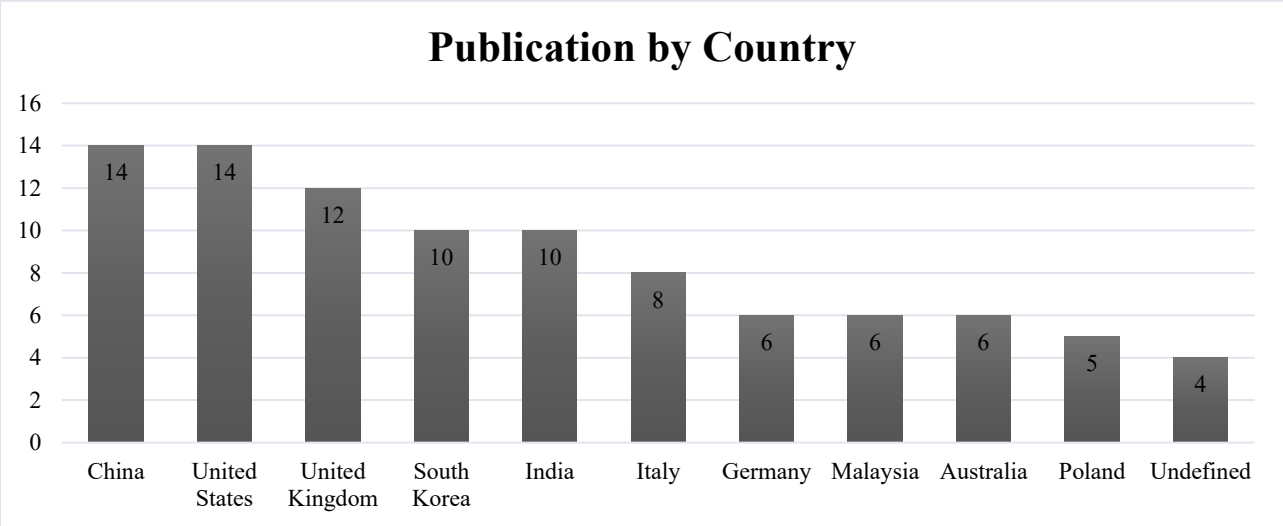

Figure 3. Publication by Country

DISCUSSION

From the thematic analysis of 90 articles, eight main themes (i.e., financial benefit, risk mitigation, better decision making, corporate image, drive innovation, promote SDGs, resilience business, and create trust) were developed. Table 2 presents a comprehensive list of developed themes and articles for the analyzed articles.

Table 2. Developed Themes

Themes	Articles
Financial Benefit	(Aboud & Diab, 2018; Al Amosh & Khatib, 2022; Ali et al., 2022; Atan et al., 2016; Cardillo et al., 2022; Chaudhry et al., 2021; Chen et al., 2022; Daszyńska-Żygadło et al., 2021; De Lucia et al., 2020; Demers et al., 2021; Fonda-Bonardi, 2017; Gangi et al., 2020; Garzon Jimenez & Zorio-Grima, 2021; Gehricke et al., 2023; Gonçalves et al., 2022; Hasan et al., 2021; Jung et al., 2023; Kaakeh & Gokmenoglu, 2022; Kang & Lam, 2023; M. A. Khalil et al., 2022; Klimontowicz et al., 2021; Kumar & Firoz, 2022; Lee & Kim, 2021; Lee et al., 2022; Lupu et al., 2022; McCahery et al., 2022; Nizam et al., 2019; Rahi et al., 2021; Rahman et al., 2023; Rastogi & Singh, 2023; Raut et al., 2023; Shahbaz et al., 2020; Shakil et al., 2019; Sinha Ray & Goel, 2023; Son & Kim, 2022; Srivisal et al., 2021; Úbeda et al., 2022; Wanday & Ajour El Zein, 2022; Willan et al., 2021; Zahid et al., 2022)
Risk Mitigation	(Aboud & Diab, 2018; Fonda-Bonardi, 2017; He et al., 2023; Mao et al., 2023; Meng-tao et al., 2023; Mertens et al., 2023; Papathanasiou et al., 2022; Rastogi & Singh, 2023; Raut et al., 2023; Saini et al., 2022; Shakil et al., 2019; Sinha Ray & Goel, 2023; Tsang et al., 2023)
Better Decision Making	(Al-Hiyari et al., 2023; Bender et al., 2019; De Lucia et al., 2020; Fonda-Bonardi, 2017; Gustyari et al., 2022; Nizam et al., 2019; Nowlan et al., 2021; Willan et al., 2021; Yoon et al., 2021)
Corporate Image	(Kumar & Firoz, 2022; Lee et al., 2022; Luan & Wang, 2023; Meng-tao et al., 2023; Mertens et al., 2023; Tsang et al., 2023; Zahid et al., 2022)
Drive Innovation	(Bhaskaran, 2023; Fonda-Bonardi, 2017; Jung et al., 2023; Kang & Lam, 2023; Luan & Wang, 2023; Meiling et al., 2021; Nitlarp & Mayakul, 2023; Saetra, 2022; Saxena et al., 2023; Varyash et al., 2020; Xie et al., 2022; Zafirah & Asmawi, 2022; Zhang, 2023)
Promote SDGs	(Bekaert et al., 2020; Belousova et al., 2022; Das, 2023; Fonda-Bonardi, 2017; Jaafar et al., 2019; M. Khalil et al., 2022; Nowlan et al., 2021; Tsang et al., 2023; Yang et al., 2022)
Resilience Business	(Aboud & Diab, 2018; Al Amosh & Khatib, 2022; Andriosopoulos & Tanzila Deepty, 2022; Bing & Li, 2019; Bofinger et al., 2022; Chaudhry et al., 2021; Chen et al., 2022; Finger & Rosenboim, 2022; Gangi et al., 2020; Habib & Mourad, 2023; Mao et al., 2023)
Create Trust	(Abudy et al., 2023; Al Amosh & Khatib, 2022; Ali et al., 2022; Bae et al., 2023; Cardillo et al., 2022; Finger & Rosenboim, 2022; Gustyari et al., 2022; Kumar & Firoz, 2022; Lee & Kim, 2021; Lee et al., 2022; Luan & Wang, 2023; McCahery et al., 2022; Mertens et al., 2023; Rastogi & Singh, 2023; Raut et al., 2023; Reig-Mullor et al., 2022; Tsang et al., 2023; Wang et al., 2023)

Financial Benefits

ESG policy adaptation creates economic benefit for stakeholders other than shareholders and ultimately contributes towards the firm's profitability (Abudy et al., 2023; Finger & Rosenboim, 2022; Gehricke et al., 2023). According to McCahery et al. (2022), organizations incorporate ESG practices based on the belief in a significant relationship between ESG and financial performance. This was evident during the COVID-19 pandemic, where companies with higher ESG scores demonstrated superior financial performance to those with lower ESG ratings. Raut et al. (2023) and Rahman et al. (2023) reported that sustainability-focused companies can provide stronger financial returns than conventional investments. From a different angle, Ali, et al. [25] proposed that environmental programs through ESG will assist organizations justify investments in environmental initiatives to

achieve financial benefits since this initiative will mitigate environmental challenges and thus provide ongoing financial outputs. Banks with robust corporate governance structures and transparent ESG reporting practices are perceived as lower risk by investors, leading to lower financing costs (Agnese & Giacomini, 2023). From the customer point of view, ESG has a significantly positive effect on revenue as customers are likely attracted to firms that practice ESG (Zahid et al., 2022).

Risk Mitigation

Investors believe that ESG investments are more reliable and safer than non-ESG stocks., aligning with ESG indexes' performance, which have outperformed benchmark indexes worldwide. Investors perceiving relatively low riskiness in ESG investments are more inclined to become net buyers of such investments (Raut et al., 2023). Adhering to ESG standards enables companies to avoid potential financial and reputational risks, such as mitigating environmental scandals or regulatory non-compliance, by focusing on environmental responsibility (Saini et al., 2022; Tsang et al., 2023). Similarly, Sinha Ray and Goel (2023) and Rastogi and Singh (2023) mentioned that ESG is an emerging indicator for anticipating future risk mitigation strategies and is of considerable importance from a policy perspective. ESG mechanisms have the capacity to redirect focus away from a shareholder-centric governance approach and towards the interests of other stakeholders, including non-investing parties. This shift can result in reduced risk within the banking ecosystem. In organizations characterized by lower information openness, weaker corporate governance, and reduced external monitoring pressure, the influence of ESG factors on corporate risk-taking becomes more pronounced (He et al., 2023; Papathanasiou et al., 2022; Wang et al., 2023). ESG enables managers to understand and improve sustainability and marketability efficiency in their firms. It provides a framework for evaluating resource allocation effectiveness and identifying improvement areas (Mao et al., 2023). In food and agricultural-related supply chains, ESG practices also assist organizations in reducing operational disruptions while strengthening logistics and supply chain resilience (De Giovanni, 2026; Sharma, 2026).

Better Decision Making

Firms with stronger ESG performance exhibit better investment planning, suggesting that organizations prioritizing ESG tend to make more efficient investment decisions (Al-Hiyari et al., 2023). Research from Milanesi et al. (2020) indicated that corporate governance and the environment play a significant role in management decision-making. ESG addresses environmental impacts and integrates sustainability considerations into corporate decision-making and planning processes, guiding the organization towards better planning ahead (Nowlan et al., 2021). The journey towards sustainability necessitates the creation and implementation of systems that not only focus on monitoring natural resource stocks but also track ecosystem services. Recognizing the interdependencies between ecosystem services and economic of growth enables municipalities to make better management decisions and ultimately foster sustainable growth (Fonda-Bonardi, 2017)

Corporate Image

Stakeholders, including investors, consumers, and the public, value companies that demonstrate a commitment to environmental, social responsibility and ESG practices, such as responsible environmental and social initiatives, which can enhance a company's reputation (Tsang et al., 2023). In simpler terms, when companies engage in social service initiatives, it helps them attract more customers, increase their market presence, and create a positive reputation to the public (Luan & Wang, 2023; Zahid et al., 2022). In return, a positive corporate image could help the company to increase support and trust from the stakeholders (Wang et al., 2023). In empirical research, Yun and Kim (2019) mentioned that coffee shops' ESG factors had a statistically significant positive relationship with their corporate image. In the same view, Mertens et al. (2023) and Lee et al. (2022)

confirmed that ESG through active corporate social responsibility programs are introduced for corporate reputational reasons.

Drive Innovation

Focusing on ESG factors can drive innovation within service organizations, and companies that prioritize environmental sustainability may develop new technologies or processes that reduce their carbon footprint or enable more efficient performance (Luan & Wang, 2023; Xie et al., 2022; Zhang, 2023). Similarly, a study by Varyash et al. (2020) identified significant associations between environmental innovations and ESG in Russian companies and proposes that when businesses are incentivized and stimulated to focus on environmental innovations and research and development (R&D), they are more likely to score higher ESG rating. Bhaskaran (2023) emphasized that sustainability is a major driver of innovation within organizations and suggests that organizations prioritizing sustainability are more likely to foster innovation. Saetra (2022) proposed the need for organizations to consider the AI aspect in ESG, as this innovation plays a substantial impact on organizational performance. AI can improve the accuracy and reliability of ESG information, which was previously reliant on self-disclosed (Saxena et al., 2023).

Promote Sustainable Development Goals (SDGs)

Companies that integrate ESG into their operations are more likely to contribute to sustainable development and attract attention from investors who prioritize sustainable investments. Hence ESG is seen as an enabler to promote the achievement of SDGs (Das, 2023; Tsang et al., 2023). In addition, ESG implementation in food and agricultural-related supply chains can support sustainable production and responsible operational practices aligned with broader sustainable development goals (Gold et al., 2026). According to Tsang et al. (2023), ESG is viewed as an enabler to promote SDGs, and businesses strive to develop their own ESG capabilities to garner investor attention. Research from Antoncic et al. (2020) demonstrated the ESG momentum portfolio outperforms the performance and has a comparatively better SDG footprint. This suggests that companies with positive ESG momentum may contribute positively to the SDGs.

Resilience or Sustained business

A firm with an ESG profile significantly influences its valuation and market sentiment towards business sustainability (Bofinger et al., 2022). The findings from Chen et al. (2022) explained that businesses with a strong commitment to ESG experience a reduction in the transitory component of their stock return volatility. During the COVID-19 crisis, this has proven that higher ESG-rated hotels are less susceptible to the negative effects, making their stocks more resilient and potentially considered safe-haven assets. Firms that adopt environmental, social, and governance performances positively influence sustained performance; for instance, the coronavirus crisis has created significant distinctions in firm performance measures (Habib & Mourad, 2023). Sutar et al. (2025) highlighted that resilient and sustainable practices are increasingly important in food supply chains to ensure operational stability during disruptions and uncertainties. The research from Mao et al. (2023) emphasized the importance of sustainable development strategies for achieving sustainable performance, even in resource scarcity. Sustainable development strategies consider ESG factors to ensure long-term success and resilience in firms.

Create Trust

Trust is an organization's efforts and actions to establish and maintain high credibility among its stakeholders. It involves transparent and responsible practices demonstrating a commitment to ethical behavior, environmental sustainability, social responsibility, and governance (Azapagic, 2003). According to Bae et al. (2023), the environmental and social factors of ESG have a significant positive effect on brand trust, indicating that consumers trust companies with strong environmental and social performance. According to Olivier Boiral et al. (2025), stakeholder trust in food-related supply chains is highly influenced by ESG practices, particularly regarding food safety and operational transparency. By publicly disclosing its environmental, social, and governance agendas, a firm can foster customer loyalty, as it demonstrates its commitment to sustainability and responsible business practices (Ali et al., 2022; Cardillo et al., 2022). According to Luan and Wang (2023), ESG makes it possible for individuals to understand CSR performance and sustainability prospects, which eliminates uncertainty on the company's future. Similarly, Raut et al. (2023) reported that consumers prefer long-term relationships with socially responsible companies, which suggests a strong link between social responsibility and trust. Finger and Rosenboim (2022) highlight a connection between trust and ESG policies, in which customers and employees consider ESG policies when making decisions on financial dealings. This indicates that a company's commitment to ESG influences trust. Subsequently, the customer's trust lies in the degree of compliance to which extent the company considers ESG factors, leading to better performance (McCahery et al., 2022).

CONCLUSION AND SUGGESTIONS FOR FUTURE STUDIES

ESG practices improve a company's performance in several ways, such as trust, financial benefits, corporate image, innovation, decision-making, risk mitigation, promotion of sustainable development goals, and business resilience. The reason for this is that consumers are more likely to trust businesses that show a commitment to ESG, and businesses with high environmental and social performance are more likely to gain customer loyalty and trust. Customers tend to trust businesses that show a commitment to ESG principles, which increases customer loyalty and trust for businesses that exhibit strong environmental and social performance. In addition, ESG policies can create superior financial performance, especially during crises like the COVID-19 pandemic. In addition, by embracing responsible environmental and social initiatives, a company can elevate its reputation and corporate image. Focusing on ESG can drive organizational innovation, developing new technologies and processes that promote environmental sustainability.

Additionally, businesses with higher ESG performance tend to make more effective investment decisions and incorporate sustainability factors into their planning procedures, which helps them make better decisions. Moreover, investors perceive ESG investments as safer and more stable, leading to lower riskiness in ESG investments and increased interest from investors. Likewise, companies that integrate ESG into their operations are more likely to contribute to SDGs and attract attention from investors prioritizing sustainable investments. These practices are also increasingly important in food-related service sectors, particularly in supply chain and logistics operations, where sustainability, operational transparency, and stakeholder trust play critical roles in long-term performance (Tsang et al., 2023). Businesses with ESG profiles typically command greater valuations and are viewed favorably by the market. Even in challenging periods like the COVID-19 crisis, ESG companies have shown resilience and sustained performance.

Therefore, businesses should consider integrating ESG principles and practices into their overall strategy, prioritizing ethical conduct, environmental sustainability, social responsibility, and open governance as key elements of their operations. Organizations should be open and transparent about their ESG initiatives and performance, providing investors, customers, employees, and the general public with clear, accurate data. The organization should involve all stakeholders, including employees, customers, investors, and suppliers, in the ESG journey by educating and empowering

them about the company's ESG initiatives and the beneficial impact they can make collectively. This is particularly important in food and agricultural-related supply chains, where collaboration among stakeholders is essential to ensure sustainable operations and consumer confidence (Sharma, 2026).This will ensure that the organization reaps the full benefits of ESG. Apart from that, communication-related to ESG initiatives to enhance the company's performance should be prioritized.

The organization should also encourage innovation within the company to create innovative products, procedures, and technologies that support social responsibility and environmental sustainability. ESG-driven innovation has the potential to boost long-term performance and give businesses a competitive edge. Additionally, by setting a clear ESG target, integrating ESG into the organization's long-term vision and growth plans, and properly allocating financial and human resources to support ESG initiatives and projects, leadership can foster a sense of purpose and responsibility within the organization, resulting in long-term sustainable growth and positive impacts on society and the environment. Companies can enhance their performance and financial results while promoting a more sustainable and responsible future for society and the environment by implementing these recommendations and prioritizing ESG practices.

As a suggestion, future researchers can investigate the role of ESG in service sector performance based on specific service sector because it is important to understand the challenges faced by specific sectors and tailored research to address the specific ESG issues of different service sector is necessary for effective strategies. Future researchers can also investigate ESG implementation within food-related industries, particularly in logistics services and supply chain operations, as these sectors face increasing sustainability and stakeholder-related challenges (Sharma, 2026; De Giovanni, 2026). Another suggestion is that future researchers can empirically assess the long-term impact of ESG on an organization. There is a need for more comprehensive studies that assess the long-term effects of ESG integration. Understanding the long-term benefits and drawbacks of ESG practices can provide valuable insights for both companies and investors. Next, as the research findings on ESG and financial benefits are inconsistent, future research needs to investigate the contextual factors that moderate this relationship, potentially in terms of the maturity of its implementation. Hence, more research is needed to explore the link between ESG performance and financial performance in the service sector. Understanding the potential positive or negative correlations between ESG initiatives and financial outcomes can strengthen the business case for ESG integration, leadership role, stakeholder involvement, and technology integration.

This study has several drawbacks. Only one database (Scopus) was employed in this review, despite a suggestion from Gusenbauer and Haddaway (2020) that there are 14 databases with the ability to search for potential articles in them. Second, MMAT was used to evaluate the quality control process. It was predicted that the papers would reveal quality variances when analyzed using various quality assessment techniques. As a result, it advises employing various assessment techniques to evaluate more or fewer publications in the future compared to the number of papers already examined in this study. A quality evaluation helps search for articles appropriate for the review's objective rather than looking for ideal articles.

REFERENCES

Aboud, A., & Diab, A. (2018). The impact of social, environmental and corporate governance disclosures on firm value: Evidence from Egypt. *Journal of Accounting in Emerging Economies, 8*(4), 442–458.

Abudy, M. M., Gavious, I., & Shust, E. (2023). Does adopting voluntary ESG practices affect executive compensation? *Journal of International Financial Markets, Institutions and Money, 83*, 101718. https://doi.org/10.1016/j.intfin.2022.101718

Agnese, P., & Giacomini, E. (2023). Bank's funding costs: Do ESG factors really matter? *Finance Research Letters, 51*, 103437. https://doi.org/10.1016/j.frl.2022.103437

Al-Hiyari, A., Ismail, A. I., Kolsi, M. C., & Kehinde, O. H. (2023). Environmental, social and governance performance (ESG) and firm investment efficiency in emerging markets: The interaction effect of board cultural diversity. *Corporate Governance: The International Journal of Business in Society, 23*(3), 650–673. https://doi.org/10.1108/CG-03-2022-0133

Al-Ryalat, S. A. S., Malkawi, L. W., & Momani, S. M. (2019). Comparing bibliometric analysis using PubMed, Scopus, and Web of Science databases. *Journal of Visualized Experiments, 152*, e58494.

Al Amosh, H., & Khatib, S. F. (2022). Website visits and financial performance for GCC banks: The moderating role of environmental, social and governance performance. *Global Business Review*. https://doi.org/10.1177/09721509221109576

Ali, Q., Salman, A., & Parveen, S. (2022). Evaluating the effects of environmental management practices on environmental and financial performance of firms in Malaysia: The mediating role of ESG disclosure. *Heliyon, 8*, e12486. https://doi.org/10.1016/j.heliyon.2022.e12486

Andriosopoulos, D., & Deepty, S. T. (2022). Can social capital and reputation mitigate political and market competition risk? *The European Journal of Finance, 1–38*.

Antoncic, M., Bekaert, G., Rothenberg, R., & Noguer, M. (2020). Sustainable investment—Exploring the linkage between alpha, ESG, and SDG's. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.3623459

Aripin, N. M., Nawanir, G., Mahmud, F., Fauzi, M. A., Hussain, S., & Lee, K. L. (2023). Systematic literature review: Theory perspective in lean manufacturing performance. *Management Systems in Production Engineering, 31*(2), 230–241.

Atan, R., Razali, F. A., Said, J., & Zainun, S. (2016). Environmental, social and governance (ESG) disclosure and its effect on firm's performance: A comparative study. *International Journal of Economics and Management, 10*(2), 355–375.

Azapagic, A. (2003). Systems approach to corporate sustainability: A general management framework. *Process Safety and Environmental Protection, 81*(5), 303–316. https://doi.org/10.1205/095758203770224342

Baashar, Y., et al. (2020). Customer relationship management systems in the healthcare environment: A systematic literature review. *Computer Standards & Interfaces, 71*, 103442.

Bae, G.-K., Lee, S.-M., & Luan, B.-K. (2023). The impact of ESG on brand trust and word of mouth in food and beverage companies. *Sustainability, 15*(3), 2348. https://doi.org/10.3390/su15032348

Belousova, V., et al. (2022). Coping with greenhouse gas emissions: Insights from digital business services. *Energies, 15*(8), 2745. https://doi.org/10.3390/en15082745

Bender, J., Bridges, T. A., & Shah, K. (2019). Reinventing climate investing: Building equity portfolios for climate risk mitigation and adaptation. *Journal of Sustainable Finance & Investment, 9*(3), 191–213. https://doi.org/10.1080/20430795.2019.1579512

Bhaskaran, R. K. (2023). Sustainability initiatives, knowledge-intensive innovators, and firms' performance. *International Journal of Financial Studies, 11*(1), 14. https://doi.org/10.3390/ijfs11010014

Bing, T., & Li, M. (2019). Does CSR signal firm value? Evidence from China. *Sustainability, 11*(15), 4255.

Bofinger, Y., Heyden, K. J., & Rock, B. (2022). Corporate social responsibility and market efficiency. *Journal of Banking & Finance, 134*, 106322. https://doi.org/10.1016/j.jbankfin.2021.106322

Boiral, O., Brotherton, M. C., & Talbot, D. (2025). The neutralization of ESG risks by leading agri-food companies. *Sustainability Accounting, Management and Policy Journal, 16*(3), 767–790.

Cardillo, G., Bendinelli, E., & Torluccio, G. (2022). COVID-19, ESG investing, and resilience of sustainable stocks. *Business Strategy and the Environment*. https://doi.org/10.1002/bse.3163

Calfee, R. C., & Valencia, R. R. (1991). *APA guide to preparing manuscripts for journal publication*. American Psychological Association.

Chen, C.-D., Su, C.-H., & Chen, M.-H. (2022). Are ESG-committed hotels financially resilient to the COVID-19 pandemic? An autoregressive jump intensity trend model. *Tourism Management, 93*, 104581. https://doi.org/10.1016/j.tourman.2022.104581

Chaudhry, S. M., Saeed, A., & Ahmed, R. (2021). Carbon neutrality: The role of banks in optimal environmental management strategies. *Journal of Environmental Management, 299*, 113545.

Das, A. (2023). Predictive value of supply chain sustainability initiatives for ESG performance: A study of large multinationals. *Multinational Business Review*. https://doi.org/10.1108/MBR-09-2022-0149

Daszyńska-Żygadło, K., Słoński, T., & Dziadkowiec, A. (2021). Corporate social performance and financial performance relationship in banks. *Journal of Business Economics and Management, 22*(2).

De Giovanni, P. (2026). Responsible supply chains through ESG factors and transformative trajectories. *Sustainability, 18*(7), 3344.

De Lucia, C., Pazienza, P., & Bartlett, M. (2020). Does good ESG lead to better financial performances by firms? *Sustainability, 12*(13), 5317.

Demers, E., Hendrikse, J., Joos, P., & Lev, B. (2021). ESG did not immunize stocks during the COVID-19 crisis. *Journal of Business Finance & Accounting, 48*(3–4), 433–462.

Efthymiou, L., Kulshrestha, A., & Kulshrestha, S. (2023). Sustainability and ESG in the service sector in India. *Administrative Sciences, 13*(7), 165.

Egorova, A. A., Grishunin, S. V., & Karminsky, A. M. (2022). The impact of ESG factors on IT companies' performance. *Procedia Computer Science, 199*, 339–345. https://doi.org/10.1016/j.procs.2022.01.041

Finger, M., & Rosenboim, M. (2022). Going ESG: The economic value of adopting an ESG policy. *Sustainability, 14*(21), 13917.

Fonda-Bonardi, A. (2017). 'Sustainable' reframed: How China's cities and companies are moving from data to decisions. *Technoetic Arts, 15*, 297–310. https://doi.org/10.1386/tear.15.3.297_1

Gangi, F., Meles, A., Monferrà, S., & Mustilli, M. (2020). CSR and survivorship of SMEs and large firms. *Global Finance Journal, 43*, 100402.

Garzon Jimenez, R., & Zorio-Grima, A. (2021). Sustainability engagement in Latin American firms and cost of equity. *Academia Revista Latinoamericana de Administración, 34*(2), 224–243.

Gehricke, S. A., Ruan, X., & Zhang, J. E. (2023). ESG ratings and corporate bond returns. *Applied Economics*, 1–19. https://doi.org/10.1080/00036846.2023.2178624

Gold, S., Hall, J. K., & Tang, C. (2026). Sustainable agriculture in developing countries. *International Journal of Operations & Production Management, 46*(1), 145–166.

Gonçalves, T. C., Dias, J., & Barros, V. (2022). Sustainability performance and cost of capital. *International Journal of Financial Studies, 10*(3), 63.

Gustyari, W., Sihaloho, H. H. B. B., & Muda, I. (2022). Sustainability governance and environmental impact management. *Journal of Pharmaceutical Negative Results*, 4140–4148.

Habib, A. M., & Mourad, N. (2023). ESG practices and US firms' performance during COVID-19. *Journal of the Knowledge Economy*. https://doi.org/10.1007/s13132-023-01278-w

Hasan, I., Singh, S., & Kashiramka, S. (2021). CSR disclosure and firm performance in India. *Environment, Development and Sustainability*.

He, F., Ding, C., Yue, W., & Liu, G. (2023). ESG performance and corporate risk-taking. *International Review of Financial Analysis, 87*, 102550. https://doi.org/10.1016/j.irfa.2023.102550

Innocent, I. E., Uzoamaka, E. V., & Levi, N. N. (2017). Training and development and employee performance. *International Journal of Economics and Business Management, 3*(9), 13–22.

Jaafar, A., Alrazi, B., Ooi, S., & Shamsuddin, A. (2019). Environmental disclosure index for Malaysian companies. *International Journal of Environmental Technology and Management, 22*, 236. https://doi.org/10.1504/IJETM.2019.104751

Jung, M., Eom, M. T., & Yayla, A. (2023). IT-enabled innovation and CSR impact on performance. *Information Systems Management, 40*(1), 70–89.

Kaakeh, M., & Gokmenoglu, K. K. (2022). ESG and financial performance during COVID-19. *Frontiers in Environmental Science*, 1590.

Kang, E., & Lam, N. B. (2023). ESG disclosure and IPO underpricing. *Corporate Social Responsibility and Environmental Management, 30*(1), 119–133.

Khalil, M., Khalil, R., & Khalil, M. K. (2022). Environmental, social and governance (ESG)-augmented investments in innovation and firms' value: A fixed-effects panel regression of Asian economies. *China Finance Review International*. https://doi.org/10.1108/CFRI-05-2022-0067

Khalil, M. A., Khalil, R., & Khalil, M. K. (2022). Environmental, social and governance (ESG)-augmented investments in innovation and firms' value: A fixed-effects panel regression of Asian economies. *China Finance Review International*.

Klimontowicz, M., Losa-Jonczyk, A., & Zacny, B. (2021). Banks' energy behavior: Impacts of the disparity in the quality and quantity of disclosures. *Energies, 14*(21), 7325.

Kumar, P., & Firoz, M. (2022). Does accounting-based financial performance value ESG disclosures? A corporate sustainability perspective. *Australasian Accounting, Business and Finance Journal, 16*(1), 41–72.

Lee, J., & Kim, S. (2021). Are firms with satisfied customers admired? *Academy of Accounting and Financial Studies Journal, 25*(3), 1–13.

Lee, M. T., Raschke, R. L., & Krishen, A. S. (2022). Signaling green! Firm ESG signals in an interconnected environment that promote brand valuation. *Journal of Business Research, 138*, 1–11. https://doi.org/10.1016/j.jbusres.2021.08.061

Luan, X., & Wang, X. (2023). Open innovation, enterprise value and the mediating effect of ESG. *Business Process Management Journal, 29*(2), 489–504. https://doi.org/10.1108/BPMJ-07-2022-0310

Lupu, I., Hurduzeu, G., & Lupu, R. (2022). ESG and European financial stability. *Sustainability, 14*(16), 10287.

Manzoor, F., Wei, L., Nurunnabi, M., Subhan, Q. A., Shah, S. I. A., & Fallatah, S. (2019). Transformational leadership and CSR in SMEs. *Sustainability, 11*(2), 436.

Mao, H.-Y., Lu, W.-M., & Shieh, H.-Y. (2023). Environmental investment and multinational performance. *Sustainability, 15*(10), 7779. https://doi.org/10.3390/su15107779

McCahery, J. A., Pudschedl, P. C., & Steindl, M. (2022). Institutional investors and ESG preferences. *European Business Organization Law Review, 23*(4), 821–868. https://doi.org/10.1007/s40804-022-00264-0

Meiling, L., Yahya, F., Waqas, M., Shaohua, Z., Ali, S. A., & Hania, A. (2021). Fintech and sustainability in healthcare. *Inquiry: The Journal of Health Care Organization, Provision, and Financing, 58*, 00469580211028174.

Meng-tao, C., Da-peng, Y., Wei-qi, Z., & Qi-jun, W. (2023). ESG disclosure and stock liquidity. *Environmental Impact Assessment Review, 98*, 106926.

Mertens, D., Klingenberger, L., Frère, E., Harder, D., & Zureck, A. (2023). ESG risks in sustainable project finance. *International Journal of Sustainable Development and Planning, 18*, 661–675. https://doi.org/10.18280/ijsdp.180302

Moher, D., Liberati, A., Tetzlaff, J., & Altman, D. G. (2009). PRISMA statement. *Physical Therapy, 89*(9), 873–880.

Nitlarp, T., & Mayakul, T. (2023). ESG transformation in energy sector. *Energies, 16*(5), 2090.

Nizam, E., Ng, A., Dewandaru, G., Nagayev, R., & Nkoba, M. A. (2019). Sustainability and financial performance in banking. *Journal of Multinational Financial Management, 49*, 35–53.

Nowlan, A., Fine, J., O'Connor, T., & Burget, S. (2021). Pollution accounting in transport systems. *Sustainability, 13*(18), 10194. https://doi.org/10.3390/su131810194

Papathanasiou, S., Dokas, I., & Koutsokostas, D. (2022). Value investing and ESG strategies. *The North American Journal of Economics and Finance, 62*, 101764. https://doi.org/10.1016/j.najef.2022.101764

Patel, A. K., Singh, M., Singh, K., Varma, A. K., & Kuri, R. (2021). Publication trends in Webology journal. *Library Philosophy and Practice*, 5995.

Rahi, A. B. M. F., Akter, R., & Johansson, J. (2022). Sustainability practices and financial performance in Nordic firms. *Accounting Research Journal, 35*(2), 292–314. https://doi.org/10.1108/ARJ-12-2020-0373

Rahman, H. U., Zahid, M., & Al-Faryan, M. A. S. (2023). ESG and firm performance with sustainability strategy moderation. *Journal of Cleaner Production, 404*, 136859. https://doi.org/10.1016/j.jclepro.2023.136859

Rastogi, S., & Singh, K. (2023). ESG and bank valuation with ICT moderation. *Journal of Global Responsibility, 14*(2), 273–288. https://doi.org/10.1108/JGR-07-2022-0075

Raut, R. K., Shastri, N., Mishra, A. K., & Tiwari, A. K. (2023). Investor values and ESG stocks. *Review of Accounting and Finance*. https://doi.org/10.1108/RAF-12-2022-0353

Reig-Mullor, J., Garcia-Bernabeu, A., Pla-Santamaria, D., & Vercher-Ferrandiz, M. (2022). Neutrosophic AHP-TOPSIS for ESG performance. *Technological and Economic Development of Economy, 28*(5), 1242–1266.

Rosa, A. C. M., & Broday, E. E. (2018). Lean six sigma improvements: Literature review. *International Journal for Quality Research, 12*(1), 227.

Saetra, H. S. (2022). AI ESG protocol. *Sustainable Development*.

Saini, N., Antil, A., Gunasekaran, A., Malik, K., & Balakumar, S. (2022). ESG and financial performance nexus. *Resources, Conservation and Recycling, 186*, 106571. https://doi.org/10.1016/j.resconrec.2022.106571

Saxena, A., Singh, R., Gehlot, A., Akram, S. V., Twala, B., Singh, A., Montero, E. C., & Priyadarshi, N. (2023). Technologies empowered environmental, social, and governance (ESG): An Industry 4.0 landscape. *Sustainability, 15*(1), 309. https://doi.org/10.3390/su15010309

Shahbaz, M., Karaman, A. S., Kilic, M., & Uyar, A. (2020). Board attributes, CSR engagement, and corporate performance: What is the nexus in the energy sector? *Energy Policy, 143*, 111582.

Shakil, M. H., Mahmood, N., Tasnia, M., & Munim, Z. H. (2019). ESG performance and financial performance of banks. *Management of Environmental Quality: An International Journal, 30*(6), 1331–1344.

Sharma, I. (2026). Benchmarking supply chain due diligence practices in agri-food supply chains. *Benchmarking: An International Journal*.

Sinha Ray, R., & Goel, S. (2023). Impact of ESG score on financial performance of Indian firms. *Applied Economics, 55*(15), 1742–1755. https://doi.org/10.1080/00036846.2022.2101611

Son, S., & Kim, J. (2022). ESG performance and financial performance with national pension fund investment. *Frontiers in Psychology, 13*, 893535.

Srivisal, N., Jamprasert, N., Sthienchoak, J., & Kuwalairat, P. (2021). ESG and creditworthiness in Asian markets. *Asian Academy of Management Journal of Accounting & Finance, 17*(2).

Sutar, P. S., Kolte, G. C., & Yamini, S. (2025). Food supply chain disruptions and resilience strategies. *Opsearch*.

Tsang, Y. P., Fan, Y., & Feng, Z. P. (2023). ESG capabilities in SMEs logistics companies. *Journal of Environmental Management, 338*, 117758. https://doi.org/10.1016/j.jenvman.2023.117758

Úbeda, F., Forcadell, F. J., Aracil, E., & Mendez, A. (2022). Sustainable banking and SDG 10. *Journal of Business Research, 146*, 277–287.

Varyash, I., Mikhaylov, A., Moiseev, N., & Aleshin, K. (2020). CSR performance indicators in Russian companies. *Entrepreneurship and Sustainability Issues, 8*, 313–329. https://doi.org/10.9770/jesi.2020.8.1(22)

Wanday, J., & Ajour El Zein, S. (2022). ESG strategy and energy sector returns in Europe. *Frontiers in Environmental Science, 10*, 1031827.

Wang, K., Li, T., San, Z., & Gao, H. (2023). ESG performance and stock liquidity. *Pacific-Basin Finance Journal*. https://doi.org/10.1016/j.pacfin.2023.102087

Willan, C., Janda, K. B., & Kenington, D. (2021). Low-carbon change in offices and schools. *Energies, 14*(23), 8087.

Xie, G., Wu, S., & Song, Z. (2022). Innovation vs sales focus during COVID-19. *Sustainability, 14*(20), 13348. https://doi.org/10.3390/su142013348

Yang, O.-S., & Han, J.-H. (2023). ESG management and financial and export performance. *Sustainability, 15*(3), 2316. https://doi.org/10.3390/su15032316

Yang, Q., Du, Q., Razzaq, A., & Shang, Y. (2022). Green financing volatility and ESG performance. *Resources Policy, 75*, 102526. https://doi.org/10.1016/j.resourpol.2021.102526

Yoon, B., Lee, J.-H., & Cho, J.-H. (2021). ESG performance and tax avoidance. *Sustainability, 13*(12), 6729. https://doi.org/10.3390/su13126729

Zafirah, N., & Asmawi, A. (2022). ESG framework in corporate strategic planning. *Journal of Logistics, Informatics and Service Science, 9*, 53–63. https://doi.org/10.33168/LISS.2022.0305

Zahid, R. M. A., Khan, M. K., Anwar, W., & Maqsood, U. S. (2022). Audit quality and ESG-performance nexus. *Borsa Istanbul Review, 22*, S200–S212. https://doi.org/10.1016/j.bir.2022.08.011

Zhang, D. (2023). Digital finance and ESG hypocrisy resistance. *Energy Economics*, 106756. https://doi.org/10.1016/j.eneco.2023.106756

Zhu, J., & Liu, W. (2020). Web of Science vs Scopus usage. *Scientometrics, 123*(1), 321–335.