

EVALUATING THE INFLUENCE OF GREEN MARKETING PRACTICES ON CONSUMER BUYING BEHAVIOR

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Abstract

The protection of environment is one of the biggest and discussed agenda worldwide these days. There has been rising awareness among the consumers all over the world regarding protection of the environment. Today consumers are becoming more ecologically conscious which have raised concern for eco-friendly products and services. Therefore, companies are increasingly recognizing the importance of green marketing concept and are trying best to reach the customers with their green message. The objective of the present study is to assess the impact of green marketing practices on consumers purchasing decisions, the actual awareness of consumers regarding green products and to analyze the attitude and behavior of consumers towards green products. The present research focused on consumers' attitude and consumers' behavior in relation to environmental problems. An attempt has also been made to examine the impact of green marketing practices on consumers purchasing decision and how various factors influence the green purchasing decisions of the customer.

Keywords: *Green marketing, Consumers' knowledge, Consumers' behavior and Consumers' attitude*

Introduction

The green marketing concept has been recently immensely studied due to its impact on day-to-day buying decisions. Green marketing has become

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increasingly significant to the modern market. Companies have to re-think about all the activities which involve their products, whether it is the processor advertising. Green marketing has also attracted considerable research interest and has gained significant importance in guiding companies' behavior favorable to the environment. The goal of green marketing orientation is to satisfy present and expressive consumer needs with their green product offering. It also aims at identifying hidden market needs as well future needs of the consumers, and accordingly altering existing product to cater to the rising needs in the market. Facing the needs of consumers who are now more social and environmentally consciousness and aware of their actions' impact and as the times have also evolved, a new paradigm as emerged that is the green marketing paradigm. Green consumption can be said as a way of consumption that is suitable for the maintenance of the natural environment for the present as well as future generations. The definition of the green consumer profile requires the analysis of the relationships between individuals' environmental awareness and their purchasing patterns. There are several factors which are considered to be an influence on customers' behavior such as: consumer values, demographic factors, importance and knowledge about environmental issues, alert of the existence of alternative products, and the customers' perception on their actions impact to protect the environment (Dembkowski and Hanmer-Lloyd, 1994). In the study, we have also found the gaps and have provided future research avenues in the field. The present analysis also put forward certain implications for practitioners and academicians.

Literature Review

For this study, the systematic literature review (SLR) method (Tranfield et al., 2003) has been applied to find and analyze the available literature related to the present study as this method is done to "enhance the quality, reliability, reliability, and validity of the reviews" (Xiao and Watson, 2019). According to Nguyen et al. (2018), green consumption is understood as purchasing and consumption behaviors by an individual which is related to

environmental and resource problems and is motivated by not only a desire to satisfy an individual's needs but also a concern for the welfare of society in general. As per Haller et al. (2020) IBM research insight report 2020, six consumers out of ten showed willingness to change their consumption habits to decrease negative impact on the environment. While, eight out of 10 said that maintaining sustainability is extremely important for them, and out of those 8, 70% of consumers showed willingness to pay premium for environmentally responsible brands. As per Jonge et al. (2008), in the contemporary world, green consumption is also said as 5R consumption; Reduce, Reevaluate, Reuse, Recycle and Rescue. As per Haller et al. (2020) IBM research insight report 2020, six consumers out of ten showed willingness to change their consumption habits to decrease negative impact on the environment. While, eight out of 10 said that maintaining sustainability is extremely important for them, and out of those 8, 70% of consumers showed willingness to pay premium for environmentally responsible brands. The purchase process focuses on the assembly of certain goals or objectives on both organizational and individual levels. These goals can be directly or indirectly related to the purchasing activity itself. Therefore, the reasons to refer the buying behavior are due to the importance of the relations between selling, customers' previous experience, competitor offer, and purchasing process. On the other hand, the final reactions involve the purchase or rejection of a product (Baker 2003). Further, Bunn (1993) came up with an analysis of buying patterns and defined six proto typical buying-decision attitudes as: casual purchase, routine low priority, simple modified re-buy, judgmental new task, the complex modified re-buy and strategic new task.

Objectives

1. To examine the impact of green marketing practices on consumers purchasing decisions.
2. To examine the factors influencing consumers purchasing decisions

Research Methodology

The study is both descriptive and evaluative in nature, examines the impact of green marketing practices on Consumers purchasing decisions. Certain set of indicators which measures the impact of green marketing practices has been developed and validated by using triple bottom line approach of social, financial and personal indicators. The questionnaire, based on Likert scales was used in order to collect information about customers' behavior and customers' perception towards green products. Factor analysis has also been used to validate the indicators representing different dimensions to evaluate the impact of green marketing on the customers purchasing decisions. All the data collected from the questionnaires was carefully introduced in the Excel tool and consequently transferred to SPSS 20 (Statistical Package for the Social Sciences), which is a very useful tool as it pre forms almost every kind of statistical analysis, in order to be able to make a descriptive analysis and providing more organized and structured information and results. The questions were carefully worded to ensure clarity and avoid bias, allowing participants to provide accurate and meaningful responses. The Cronbach alpha and composite reliability were above 0.70.

Factors Influencing Consumers Purchasing Decisions

To meet the objective of the study different statements have been developed and these statements are measured on 5-point Likert scale. The statements captures various dimensions of green products and their impact on consumer behavior and the environment. Green products offer multiple benefits, such as being recyclable, reusable, or repairable, which reduces waste and pollution. Consumers view these products as higher quality and associate them with eco-friendly attributes that comply with environmental standards. The positive perception of green marketing practices influences brand loyalty, driven by social norms, self-actualization, and environmental responsibility. The growing education rate and influence of social groups further motivate green purchasing behaviors linked to social values. Consumers are increasingly aware of the benefits of green products, which improve quality of life, health, and savings over time. The willingness to pay

more for sustainable options reflects a shift toward rational behavior and environmental consciousness, fostering improved livelihoods and supply chain sustainability. Additionally, factors like past consumption habits, product variety, environmental knowledge, and price indexes shape consumer choices in favor of green products. On the basis of responses from consumers, factor analysis has been applied to extract the factors from observed variables that affect the purchasing decisions. Table 1.1 explains the descriptive statistics for factors influencing consumers purchasing decisions.

Table 1.1 Statistical Description of Factors Influencing Purchasing Decisions

Statements	N	Mean	Std. Deviation	Skewness
Green product can be recycled, reused or repaired after use	200	2.88	.961	-.158
Green products cause less pollution	200	2.59	1.131	.143
Green marketing practices affect positively your perception of the brand	200	2.83	1.020	-.217
Green products are higher quality products	200	2.68	1.064	.101
Non-Green products are harmful and has impact in the environment	200	2.87	.986	-.234
Green product has the minimum impact to people and the environment	200	2.78	1.058	-.181
Green products are usually eco-friendly products	200	2.60	.982	.135
Green products usually comply with the ecological conditions/rules	200	2.65	.971	.019
Green in the brand logo as being an eco-friendly brand	200	2.65	.986	-.044
Green products fulfill self-actualization needs	200	2.66	.959	.037
Increase quality of life	200	2.58	1.009	.090
Due to packaging style	200	2.55	1.001	.224

To consider our self as environmentally responsible.	200	2.48	.885	.127
Influence of social groups	200	2.15	.742	-.248
Green purchase behaviour are associated with social values	200	2.205	.75220	-.357
Due to social norms	200	2.13	.75228	-.219
Growing rate of education in society	200	2.15	.76184	-.260
Green product attributes and variety influenced the decision	200	2.11	.68858	-.153
Past consumption (habit)	200	2.465	.86749	.202
Impact of Producer price index and the consumer price index	200	2.375	.89351	.340
Environmental Knowledge	200	2.385	.88356	.354
Improve the livelihoods of individuals and communities	200	2.440	.90582	.119
Save money over the life of a product or service.	200	2.415	.85230	.416
Willing to pay more for sustainable products	200	2.375	.88787	.362
Environmentally responsible product become more cheaper eventually	200	2.205	.96313	.260
Potential increase in product value	200	2.16	.92122	.455
Self-Satisfaction	200	2.245	.95894	.182
Health Consciousness	200	2.145	.90447	.532
Reduce waste generation	200	2.14	.91355	.517
Rational Behaviour	200	2.2300	.88374	.414
Improve the entire supply chain	200	2.88	.961	-.158

Source: Field Survey

Exploratory Factor Analysis

The KMO measure of sampling adequacy, which is equal to 0.930, and Bartlett's Test of Sphericity, which comes with a significant level of 5%, are statistically significant and implies that sample is adequate and factor analysis is appropriate for data. Table 1.2 explains the total variances. The table shows all the factors extractable from the analysis along with their eigen values, the percent of variance attributable to each factor, the cumulative variance of the factor and the previous factors. Table 1.2 reveals that the first factor related to Psychological factor comprising of different statements explains 66.376 percent of the total variance which shows that psychological factors has great impact on green purchasing decisions. The social factor i.e. second factor accounts for 15.042 percent, and factor 3 i.e. personal factor accounts for 3.768 percent only.

Table 1.2: Total Variances

Initial Eigenvalues	Extraction Sums of Squared Loadings	Rotation Sums of Squared Loadings						
Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
19.913	66.376	66.376	19.913	66.376	66.376	11.613	38.710	38.710
4.512	15.042	81.418	4.512	15.042	81.418	9.038	30.128	68.838
1.130	3.768	85.186	1.130	3.768	85.186	4.904	16.348	85.186
.919	3.062	88.248						
.801	2.669	90.917						
.419	1.397	92.314						
.340	1.132	93.447						
.267	.891	94.338						
.212	.706	95.044						
.178	.595	95.639						

.171	.570	96.209						
.143	.475	96.684						
.119	.398	97.082						
.113	.378	97.460						
.098	.327	97.787						
.092	.308	98.095						
.084	.281	98.376						
.082	.272	98.648						
.071	.237	98.885						
.060	.201	99.087						
.055	.184	99.271						
.046	.153	99.424						
.039	.128	99.552						
.031	.103	99.656						
.028	.093	99.748						
.023	.076	99.824						
.017	.056	99.881						
.015	.051	99.932						
.011	.037	99.969						
.009	.031	100.000						

Extraction Method: Principal Component Analysis

Table 1.3 Rotated Component Matrix

Table 1.3 exhibits the results of rotated component matrix. The table reports the loading of different statements on identified factors. Statements from S1-S10 have been loaded on factor 1 i.e. Psychological factors, Statements from S11-S19 have been loaded in factor 2 (Social factors) and the variables which are loaded in factor 3 (Personal factors) are from S20-S26. 10 items loading under the Psychological factors had factor loading between .0745 to .872, which indicates strong correlations between

consumer perceptions and the various attributes of green products. Marketers can leverage these insights to enhance their green marketing strategies, focusing on the attributes that resonate most with consumers. Social factors have also 10 items ranges from .419 to .534, and these factors collectively highlight the social influence on green purchasing behavior. Personal factors also have factors ranges from .419 to .534, reflecting a growing trend towards responsible consumption that benefits both people and the environment.

	Variables	Factors		
S1	Green product can be recycled, reused or repaired after use	.756		
S2	Green products cause less pollution	.817		
S3	Green marketing practices affect positively your perception of the brand	.801		
S4	Green products are higher quality products	.745		
S5	Non-Green products are harmful and has impact in the environment	.778		
S6	Green product has the minimum impact to people and the environment	.832		
S7	Green products are usually eco-friendly products	.872		
S8	Green products usually comply with the ecological conditions/rules	.758		
S9	Green in the brand logo as being an eco-friendly brand	.809		
S10	Green products fulfill self-actualization needs	.766		
S11	Increase quality of life		.935	
S12	Due to packaging style		.926	
S13	To consider our self as environmentally responsible.		.972	
S14	Influence of social groups		.954	
S15	Green purchase behaviour are associated with social values		.951	
S16	Due to social norms		.789	
S17	Growing rate of education in society		.766	
S18	Green product attributes and variety influenced the decision		.616	
S19	Past consumption (habit)		.733	
S20	Improve the livelihoods of individuals and communities			.534
S21	Willing to pay more for sustainable			.495

	products			
S22	Environmentally responsible product become more cheaper eventually			.498
S23	Self-Satisfaction			.487
S24	Health Consciousness			.419
S25	Reduce waste generation			.532
S26	Rational Behaviour			.429

Extraction Method: Principal Component Matrix

Rotation Method: Varimax with Kaiser Normalization

Rotation converged in 5 iterations

Findings

The current research was undertaken to bridge the gap in literature to evaluating the influence of Green Marketing Practices on Consumer Buying Behavior. In this regard, the important research questions addressed include: what is the impact of green marketing practices on consumers purchasing decisions? And what are the various factors influencing consumers purchasing decisions. The results of this study indicated that on an average Green product attributes and variety influenced the decision of the consumers. For the second question, the findings indicate that Psychological factors had strong correlations between consumer perceptions and the various attributes of green products. These results are in harmonization with previous studies conducted in different developing countries (Prashant kumar, 2015). These results are helpful to understand consumer buying behavior and policies can be set accordingly to influence them. Results of the research are useful for marketing professionals for green products to develop effective green marketing strategies

Future Scope

While this study provides a thorough examination of the collaborative and cooperative networks and research hotspots in the field of green consumption, it also has certain shortcomings. So, in future, research can be done by introduction of some other questions in order to make the research hypothesis more significant. Participants' emotional behavior

could be considered in the future, which would possibly interfere with the results.

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