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# Investigating the impact of green marketing on consumer's purchasing behaviour towards eco-friendly products

Albert Feisal Ismail, Ong Chee Leong, Mohd Fazli Mohd Sam \*, Cheng Si Pei

Faculty of Technology Management and Technopreneurship, University of Technical Malaysia Melaka, Malaysia

#### **Abstract**

In Malaysia, green marketing strategy that had been used for such a long time, it does not bring any consumer purchasing patterns significant changes. Any exchange to satisfy human wants or needs that related to green marketing minimal impact on the natural environment. The implementation of green concept or eco-friendly innovation in company's product or services would be a costly development and would bring no benefits to company if consumer does not fully understand or accept it. Thus, the research study aimed to understand the extent of impact of these concepts and strategy on consumer's purchasing behaviour towards buying eco-friendly product. Based on the results of the research, Environmental Awareness had a significant impact in affecting consumer purchasing behaviour while both Green Branding and Eco Labelling did not impact consumer's purchasing behaviour in significant extents. This result was due to consumer's lack of understanding on the purpose of corporate Green Branding and Eco Labelling been implemented into eco-friendly product.

*Keywords:* Green Marketing; Consumer Purchasing Behaviour; Green Branding; Eco Labelling; Environmental Awareness; Eco-Friendly

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<sup>\*</sup> Corresponding author. E-mail address: mohd.fazli@utem.edu.my

## 1. Introduction

Damages had been done towards the Mother Nature, where green issues to maintain our natural resources. To preserve Mother Nature effort such as Corporate Social Responsibility (CRS) one of the approach by the green marketing strategy. Consumers become more environmentally responsible and concern about theses green issues which effect to thier daily lifestyles (Suki, 2013). Malaysia, a new developing country the awareness of green product was still low because the green marketing strategy is less used by the number of corporate. Consumers were forced about the awareness of the green issues and environmental issues and few numbers of corporations take part in this green marketing strategy Therefore, the purpose of this research paper was to investigate the impact level of green marketing strategy on affecting consumer purchasing behaviour on purchasing eco-friendly products.

#### 2. Literature review

# 2.1. Theory of green marketing strategy

According to Dacko (2007), activities that sensitivity importance to environmental knock will be the green marketing strategies. Reducing damage to Mother Nature, involving green marketing strategies and activities to take part. To preserve the quality of the essential world, interest of its use was often suit to environmentally sensible consumers. Merchants concerned with environmental effect may benefit from a better perceptive of green marketing strategies and moves to enable the firm to the greater extent to consumers with same problems.

Eco-labelling was a promising market-based approach for improving the environmental performance of products through consumer choice. Although eco-labelling itself was not latest approach, eco-labelling to uphold energy efficiency or sustainability was a more recent phenomenon. Nik (2009) stated that eco-labels referred to a product's collective overall environmental performance. They were signlas of the environmental act of a product, advanced to try to avoid consumers from being puzzled over claims of environmental comity (Childs and Whiting, 1998).

According to Hartmann (2005), a green brand characteristic was defined by a specific set of brand attributes and benefits related to the reduced environmental impact of the brand and its perception as being environmentally imaged. A well-implemented green brand identity should provide benefits to environmentally conscious consumers.

According to The Pachamama Alliance, Environmental attention was an essential part of the movement's success. By guidance family and friends that the natural environment is fragile and crucial.

## 2.2. Consumer purchasing behaviour theory

Sherlekar (2010) stated that buyer behaviour was identified as "all social, psychological, and physical behaviour of potential customers as they became aware of, evaluate, purchase, consume, and tell others

about products and services. Buyer behaviour included the acts of individuals directly involved in obtaining and using economic goods and services including a sequence of decision processes that precede and determine these acts.

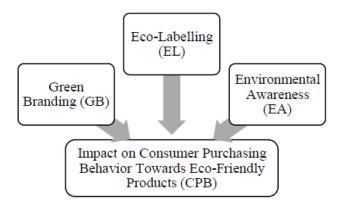
According to Khan (2006), considerate consumer for the desire of helping a firm or organization to accomplish its objectives. All the Managers in different departments were keen to understand the consumer. They might be Product Designers, Advertising Managers, Sales Managers. Social Perspective was on the macro level. Consumers generally influenced social conditions and economic within a society. Consumers collectively influenced economic and social conditions within a society. Consumers strongly influenced what will be produced, what resources will be used and it affects our standard of living.

Khan (2006) stated that by social class were referring to the group of people who shared equal positions in a society. Social class was defined by parameters like income, education, occupation, etc. Within a social class, people shared the same values and beliefs and tended to purchase similar kinds of products. Their choice of residence, type of holiday, entertainment, leisure all seem to be alike. The knowledge of social class and their consumer behaviour was of great value to a marketer.

# 2.3. Hypothesis (H0)

H0: Green branding, eco labelling and environmental awareness will bring significant impact on consumer purchasing behaviour based on different education background.

H1: Green branding, eco labelling and environmental awareness will not bring significant impact on consumer purchasing behaviour based on different education background.



**Figure 1.** Research model for the impact on consumer purchasing behaviour towards ecofriendly products (CPB)

The objective of this research study is to provide more understanding about human nature and explains the differences between different perspectives of consumer understanding based on different social classes in terms of education levels.

# 3. Methodology

This was an explanatory base research to study the impact of green marketing strategy on consumer purchasing pattern in terms of social class specifically on education levels which was explained based on theories, methods and principles used by organization in affecting consumer's purchasing decision. The researcher applied quantitative research technique to determine the consumer purchasing behaviour on green branding, eco labelling and environmental awareness through survey by distributing 150 questionnaire to the randomly chosen respondents in Malaysia. The reason of using respondents from random location was to ensure most of area in Malaysia can be covered in this research study.

#### 4. Discussion and results

There was a total of 134 people out of 150 respondent in this survey was university or college educated respondents. Meanwhile, there were 16 respondents who did not receive university or college educated. A total of 65.4% of local university/college student took part and 24% of private university/college student took part while remaining is respondent who did not receive higher education from either university or college. Below figure shows the university variety of respondent.

Measurement	%
local university/college student	65.4%
private university/college student	24%
did not receive higher education from either university or college	10.6%

**Table 1.** Socio-economic characteristics of the respondents

To assess the independent variables and dependent variables, respondents of questionnaire survey had been required to answer a series of Likert scale questionnaires ranging from 1 to 5 (1= Least Important, 2=Less Important, 3= Neutral, 4= Important, 5= Most Important). The higher the score of the mean, the more important /influence is the aspects.

From the Table 2, minimizing the impact towards environmental had the highest mean score of (4.46) while influence of eco-labelling towards consumer to purchase eco-friendly product had the lowest score of (3.75). This can be explain as consumers were very concern about the impact of their product towards

environmental which played a big role in influencing consumer to purchasing eco-friendly products. While the reason for influence of green branding had the lowest score was due to the lack of understanding of consumer towards the context and objectives of green branding of the company and company's product. Other measurements also received positive feedbacks as the average score was above 3 which almost reached a score of 4 (Important).

Table 2. Mean Score of Green Branding

Measurement	Mean
Eco-Friendly Technology	4.03
Eco-Friendly Packaging	3.98
Eco label on product	3.80
Minimize impact toward Environmental	4.46
Influence of Eco-labelling	3.75

**Table 3.** Mean Score of Eco-Labelling

Measurement	Mean
Technology Development	4.00
Energy Saving	4.37
Promoting Green Branding in product line	3.79
Implementation of green label in product line	3.89
Green Advertisement	3.92
Influence of Eco-Labelling	3.61

From the Table 3, energy saving had the highest mean score among all measurements in Eco-labelling with score of (4.37) while influenced of eco-labelling had the lowest mean score of (3.61). This can be explained as the priority for consumers to purchase an eco-friendly product was due to its energy saving or preserve capability which allowed consumer to saving more money in future while able to preserve environmental. Influence of eco-labelling had just a slightly higher score of 3.61 which led explained that consumer did not fully understood the purpose of eco-labelling on the product and its importance towards eco-friendly products. While other measurements had positive feedbacks ranging from 3.79 to 4.00.

From the Table 4, knowledge of knowing level of pollution reduction from the product had the highest mean score among the measurements of this variable with score of (4.25) while information from the official website had the lowest score of mean (3.85). This can be explain due to the new from time to time and launching of the eco-friendly product which allowed consumer to gain information regarding pollution reduction of the product through news obtain from various ways. While official website had lowest mean score was due to it was not the main sources of information for consumer to search for information

regarding to eco-friendly products. Besides that, other measurements had a good feedbacks ranging from 3.68 to 4.08.

**Table 4.** Mean Score of Environmental Awareness

Measurement	Mean
Information from Official Website	3.85
Recommendation from friends and family	3.87
Eco-friendly product advertisement	3.89
Eco-friendly product promotion material	3.86
Information from reading materials	3.93
Product shop	3.87
Knowledge of level of pollution reduction from product	4.25
Technology development of product	3.99
Substance used in product	4.08

**Table 5.** Mean Score of Consumer Purchasing Behaviour on Eco-Friendly Products

Measurement	Mean
Importance of environmental protection	4.1933
Enhance quality of lifestyle	4.0267
Getting satisfaction	3.7200
High Product Value	4.0667
Eco-friendly features on product	3.8533
Education background	4.0733
Financial capability	4.0533
Awareness of environmental issues	4.5200
Self-esteem	3.6933
Education issues	3.7000

From the Table 5, awareness of environmental issues had the highest score of among other measurements with mean score of (4.52) while self-esteem scores as the lowest in this variable with the score of (3.69). This could be explained as environmental issues was one of the main factor that caused consumer to purchase eco-friendly product to preserve the environment for future. While self-esteem had the lowest score due to not many people would purchase eco-friendly product for the purpose self-satisfaction. Moreover other measurements had positive feedbacks with mean score ranging from 3.70 to 4.19.

Model Sig.

Green Branding (GB) 0.208

Eco-Labelling (EL) 0.079

Environmental Awareness (EA) 0.000

**Table 6.** Significant value from Multiple Regression Analysis

From the Table 6 above, the significant value for green branding was 0.208, the significant value for ecolabelling was 0.079, and the significant value for environmental awareness was 0.000. When the significant value was higher than the p value of 0.05, hull hypothesis (H0) will be accepted; when the significant value was lower than the p value of 0.05, alternative hypothesis (H1) will be accepted. Thus, these can be concluded that there was no significant relationship or little relationship between green branding and consumer purchasing behaviour on eco-friendly product; there was no significant or moderate relationship between eco-labelling and consumer purchasing behaviour on eco-friendly product; there was significant relationship between environmental awareness and consumer purchasing behaviour on eco-friendly products.

#### 5. Conclusion

In conclusion, the results showed that Green Branding had partially influence on consumer's purchasing behaviour. Green Branding in Malaysia was not a very strong concept yet as consumer did not know that whether Green Branding products can fulfil their satisfactory criteria. According to KA Bakar (2011), it was not going to help if a product was developed which was absolutely green in various aspects but did not pass the customer satisfaction criteria. Customer satisfaction was one of the key elements to fulfil through green branding as it played a role in giving impact on changing consumer's purchasing behaviour on eco-friendly products. The reason for eco-labelling did not had major impact on consumer was because they did not had enough trust on the products in eco-labelling status. According to Cherian (2012), lack of trust among consumers with regards to the effectiveness of eco labels which was result of their ignorance of the concept of eco-labelling. The reason behind this consumer cognition had not been very well understood.

Environmental awareness showed a significant impact on consumer's purchasing behaviour towards ecofriendly products among three independent variables. This perhaps was due to the exposure of environmental issues that had been happening and influences of social media which allowed consumer to get more knowledge regarding to environmental issues, hence, bringing significant impact on their decision to purchase eco-friendly products. Therefore, to allow green branding and eco-labelling to provide more impact in influencing consumer's purchasing behaviour, according to Immaculate (2014), marketers also had the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. It was suggested that future research should measure the actual impact of each green marketing strategy on different category of respondents which could enhance the effectiveness of these green marketing strategy that would allow company to be more proactive in implementing green marketing in their business. Besides, improve the impact towards consumer purchasing behaviour by utilizing the use of social media. As social media influence was getting bigger from time to time, corporate can use this method to spread news regarding to the purpose of the two strategies which enables consumer to understand more about the two strategy; s intention and the benefits towards environment. Marketers should strength on cater clear information about eco-labels and green products to promote consumer familiarisation with products, Suki (2013). Pleasing green product message details should be intrusive developed that would encourage interest among the Generation Y group. Purchaser should be able to easily discern green products from the non-green based on the stamp. Moreover, the price on the green products should be economical to encourage buying. Non-government organisations and Government are a strong seer that plays an important role in supportive buyers to go green and grasp green purchasing behaviour. They could indicate their supports and involvements by taking action to broaden consumer attention of green products by building effective environmental-related or green marketing campaigns activities to commit to a better sustainable environment.

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