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EFFECT OF GREEN-MARKETING INTEGRANTS ON GREEN PURCHASE INTENTIONS (GPI): A PRAGMATIC STUDY FROM PAKISTAN

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Abstract

The current study's purpose is to grasp the consequence of GPV(Green-perceived-value), GPR (Green-perceived-risk), and GT (Green-Trust), in GPI (Green-purchase-intention). The present study's target population was private sector higher education and research institutions, located in Punjab. Questionnaires were administered to 220 working personnel. Nonprobability sampling techniques were used. Multiple tests were done through SPSS AMOS, for Descriptive analysis, Reliability statistics, Factor analysis and Frequency distribution. Analysis of movement structure was used to check the putative association among the variables. This research work's outcome revealed that Green's-perceived-value and Green's-trust were positively correlated with GPI while Green's-perceived-risk reported divergent association with the dependent variable.

Key Words: *Environment, Green Perceived Risk, Green Perceived Value, Green Trust and Greenpurchase Intentions*

***JEL Codes**: I23, M31, O5, O56, P42, and Q01*

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1. Introduction

Green Marketing has been of immense significance since the last three decades. Due to the highly resilient business world, Green-Marketing is a significant groundwork to achieve an economic edge on several of the market's rivals **(Arslan et al., 2017)**. Therefore, the present study examined sustainable marketing strategies in Pakistan and preference for product buying patterns. When businesses propose to implement Green-Marketing effectively, typical marketing activities are incorporated into the Green-Marketing concept for sustainable marketing development. Researchers tried to check the hypothesized relationship among GPR (Green Perceived Risk), GPI (Green purchase intention), GPV (Green perceived value), and GT (Green trust), in contemporary research work. Green Marketing is becoming more prevalent nowadays and its value needs to be realized. Companies need to consider environmental changes, to achieve the customers' confidence in a product. Consumer demand for goods has increased enormously world over, in the last decade, resulting in the depletion of natural resources, resulting in severe environmental degradation **(Wu & Chen, 2014)**. Through purchasing Green goods, buyers possess the power to avoid or decrease ecological destruction. This paper would also like to sharpen the insight into green buying intentions, in the modern framework.

2. Review of Literature

Nowadays, ecological difficulties are discussed by consumers worldwide and production companies and institutions **(Shukla et al., 2020)**. The Green Marketing notion is a development course, that comprises all marketing activities, which scientifically attempt to stimulate consumers' environmental outlook and foster environmental sustainability **(Akbar et al., 2014)**. In Pakistan, now more companies are struggling to undertake the Green Marketing approach, to categorize clients' Green Requirements, introduce environmentally friendly goods and highlight different Green Market segments, **(Chahal et al., 2014)**. In Pakistan, businesses need to disclose more information about the ecological implications of the inventions or products, to gain the purchasers' Green trust in the long-term. GPI (Green purchase intention) is the customers' intention to purchase Green goods **(Grimmer & Meghann, 2012)**. The term, intention, referes to the motivating factor, that determines consumers' Green-buying behavior **(Martínez & De Leaniz, 2015)**. Based on the consumers' judgment, their net payback of any product or service, through overall ecology evaluation, is called Green Perceived Value **(Shafiq et al., 2011)**. Nowadays, companies can enhance their customer base by providing them differentiated products and positioning them for Green value **(Kahraman & Kazançoðlu, 2019)**. Trust is a point of inclination, to rely on one artifact, grounded on the expectancy of capability, fidelity, and reliability of that object **(Gan & Wang, 2017)**. GT(Green Trust) refers to a state of readiness, for relying on a good or invention founded on a belief of expectancy, resulting from reliability and believability. **(Lam et al., 2016)**. Green Perceived Risk is to accept a mixture of negative results and uncertainties on purchasing Green inventions **(Djakasaputra & Pramono, 2020)**. Evaluation of perceived risk could hinder consumer buying intentions. Consumers always try to lower their risk of any products instead of maximizing the effectiveness **(Marakanon & Panjakajornsak, 2017)**.

A risk factor could have a very robust relationship with the Green purchasing intentions**(Wasaya et al., 2021)**. Reducing the

risk factor could enhance the chances of purchasing intentions. A framework was constructed in this study, to study the Greenness of the product, its value, its risk and to maximize green purchasing intention. This research could enrich the Green Marketing and Relationship Marketing literature, as a modern management paradigm, for green buying intentions.

3. Statement of the Problem

The Green Marketing concept began in the 1970s and green products gained popularity in the 1990s **(Zheng et al., 2021)**. Market in developed economies is rapidly switching over to green products. Businesses and customers have become more conscious of green marketing. But less research is reported on green markets in Asian economies **(Chung, 2020)**. Hence there is ample room to study the green marketing integrant model, to increase purchasing intentions for saving the ecosystem.

4. Need of the Study

The present study has introduced a novel Ecological Purpose System, following environmental criteria. This contemporary study is unique because Green buying behavior was barely explored in the Punjab Province of Pakistan.

5. Objectives of the Study

Firstly, this work has three key objectives: Re-examining Green consumer behavior elements, through evaluating the Green customer background. Furthermore, to examine the determinants of successful green buying conduct. The present research will also conduct an inferential test, to validate the GPV and GPR, GT, and GPI relationships, as shown in **Figure-1.**

6. Hypotheses of the Study

The following hypotheses were formulated, for testing in this study.

H1: Significant association exists between GPV and GPI.

H2: Significant connection exists between GT and GPI.

H3: Inconsequential association exists between GPR and GPI.

7. Research Methodology

7.1. Sample Selection

Nonprobability sampling techniques were utilized with a qualitative approach. Based on purposive sampling, 220 faculty members were selected, from business management research departments of private sector higher education and research institutions, in the Punjab Province of Pakistan. The basic notion for faculty selection was that respondents were qualified professionals and researchers, who were already well aware of Green marketing and Green products and services. Demographic profile of respondents is shown in **Table-1.**

7.2. Sources of the Data:

Data were gathered through the self-administrated survey process, using a five-point Likert scale, required to test the hypotheses. Additional secondary data were acquired from journals and many other sources.

7.3. Period of Study

The survey instrument was administered, between December 2020 and January 2021, by researchers themselves.

7.4. Tools used in this Study

The measurement model and SEM-structural equation model were used, with the help of SPSS AMOS, to analyze the results.

8. Analysis of Effect of Green-Marketing Integrants on Green Purchase Intentions

According to the average questionnaire and design reliability **(Table-2),** at 0.826, it was

accurate for further study. 0.826 was more than the cutoff value of .70. Each variable reported a higher Cronbach Alpha value of 0.70. **Table-2** revealed that GPI reported the most negligible value, at 3.21 while the maximum value of GPI was 4.77 and the average GPI was 3.95. **Table-3** presents the results of the factor analysis.

To examine the sample suitability, Kaiser-Meyer-Olkin (KMO) method was applied. Since the KMO value was not less than .60, the data set was deemed to be adequate and factorable. The cutoff value for KMO, for further study, must be between 0 and 1 and the above value was found acceptable. Once the variables were correlated, the congruent matrix must show the correlation of r = 0.3 or more than .3. Multi collinearity led to a strong association of inter variables. The deciding matrix should be greater than 0. 00001.The BTS is the second technique, that fits into an identity matrix, to analyze the correlation matrix.The GPI variable initially contained ten substances and after EFA loading below the line, G1, G5, G8, G9 were removed.Originally, Green Perceived value dimension contained five items. One element of the construct was dropped as a low value. The findings showed that the ongoing constructs remained significantly weighted with a single factor. In line with low-slung loading, one element out of five, GT2, was removed.

The GPR, with five items, was reduced to four items and an item, P1, was outlawed because of low loads for continuous analysis.The output of the structure demonstrated a good fit. The **Table-4** sums up the results and effects of the given model.

8.1. Testing of Hypotheses

The structured equation modeling (SEM) was used, to evaluate framed propositions. Hypothesis testing revealed a significant relationship between GPI, GPVRP, and GTPR. At the same time, green perceived risk found no significant relationship with GPI. Hypotheses were tested, based on estimates, homogenous coefficient, acute proportion, and P-value. Overall estimates indicated that due to the acceptable relevant P-value, two hypotheses were accepted. The remaining hypothesis was rejected because of insignificant relationship. (**Table-5**). **Figure-2** provides the results of path analysis of the complete model.

9. Findings of the Study

- This study's empirical results revealed that green perceived trust and green perceived value were positively affected by the green purchase intention.
- The green perceived risk adversely impacted the green purchase intention.
- Finding revealed Green-risk to be a significant construct, at explaining customers' attitude towards buying procedure.
- This study demonstrated that endowing more resources to develop green trust and enhance green purchasing value, to reduce the risk, would enhance the green purchase intentions.

10. Suggestions

- This research work established a base for the marketing researchers, to design green value strategies, to develop good trust.
- Companies should consider buyers reluctant to negotiate about goods utility but businesses must be cautious if consumers are conscious of their Greenness.
- Green Products must provide conventional object functionality against non-Green products, to improve purchase intentions, for environmental preservation.

- It is crucial to educate conventional sellers, on more advanced marketing strategies, to increase the perceived green value and reduce the perceived green risk.

11. Conclusion

The current research work would provide a chance for the academicians and market researchers, to comprehend the green-marketing concept. The structural equation model showed green perceived value to be an essential link to green purchases. Green trust was another constructive predicate variable of GPI. The present study concurred with the primary literature, which found a positive GT association with GPI. A negative relationship was detected between GPR and the dependent variable. This research would improve the understanding about GPV, GT, and GPR and trigger the building process of GPI in the ecological management. Contrarily, GPR was insignificantly related to the GPI. Further, all propositions, formulated in the present study, were well supported. Hence investing funds to increase the green value and lessening green risk, is expedient to improve GT and GPI.

12. Limitation of the Study

The current research was limited to the Punjab Province, and future studies could increase the sample size, by considering other provinces.

13. Scope for Further Research

Future studies could expand the investigation, by comparing the developed countries' data. This quantitative analysis could lead to the functional and empirical aspect of the green environment and even provide substantial knowledge to the marketers, associated with the ecology.

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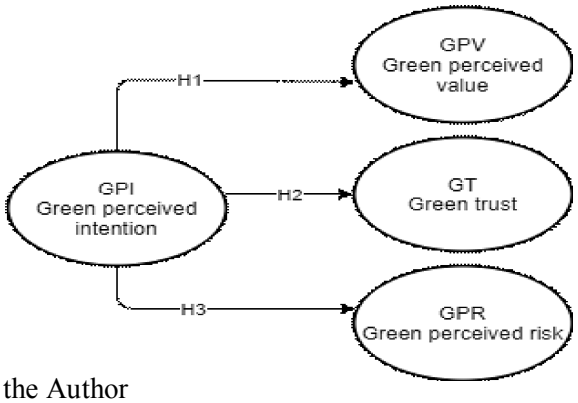
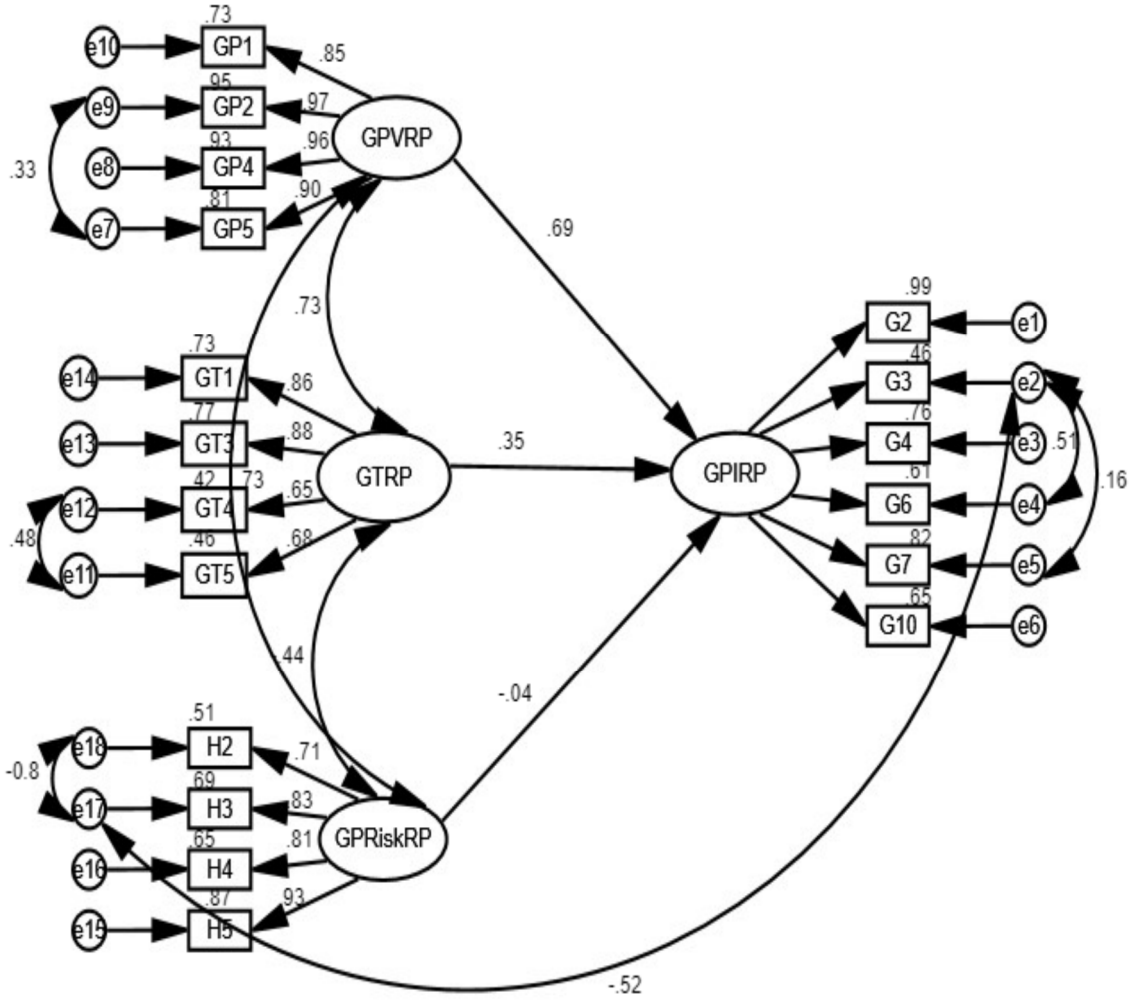
Figure-1: Study model of the relationship between GPI, GPV, GT, and GPR Variables



Source: Developed by the Author

Figure-2: Path Analysis Result of a Complete Model



Source: Developed by the author using Amos 26 version

Tabe-1: Results of Participants Demographic Characteristics (N=220)

Variable	Characteristics	(F)	Variable	Characteristics	(F)
Age	26 to 30	110	Education	MS/ M.Phil.	167
	31 to 35	50		Ph.D.	53
	36 to 40	31	Experience	1 to 3 Years	117
	Above 40	29		4 to 6 Years	60
Gender	Female	64		7 to 10 years	23
	Male	156		Above 10 years	20

Source: Developed from the primary data using SPSS 22.0 Version

Table-2: Results of Descriptive Analysis and Cronbach's Alpha Value as a Measure of Internal Consistency

Variables	N	Mini	Maxi	Mean	Std. Deviation	Cronbach's Alpha
GPI	220	3.21	4.77	3.9519	0.24605	0.812
GPV	220	3.10	4.50	3.7341	0.41208	0.840
GT	220	3.30	4.49	3.6955	0.27761	0.811
GPR	220	2.90	4.81	3.8274	0.44093	0.806

Source: Developed from the primary data using SPSS 22.0 Version

Table-3. Results of Postulations' Indicators of Factor Analysis for Measure of Sampling Adequacy

Paradigms	BTS	KMO	DCM	Sig
Green Purchase Intention	1778.894	0.788	0.011	000*
Green Perceived Value	300.601	0.750	0.324	000*
Green Trust	785.459	0.835	0.018	000*
Green Perceived Risk	740.633	0.816	0.048	000*

Source: Developed from the primary data using AMOS 26 version

Note: Measure of sampling Adequacy Kaiser-Meyer-Olkin (KMO), Determinants of correlation Matrix(DCM), Bartlette's Test of sphericity (BTS)

Table-4: Results of Structural Model Summary of All Variables for the Good Fit of the Model

Items	CMIN	SRMR	GFI	CFI	TLI	RMSEA
GPI	3.021	0.03	0.961	0.979	0.966	0.069
GPV	2.291	0.02	0.965	0.984	0.971	0.067
GT	2.285	0.03	0.996	0.988	0.955	0.058
GPR	2.465	0.04	0.966	0.971	0.955	0.061

Source: Developed from the primary data using AMOS 26 version

Table-5: Proposition Structural Path Estimation Analysis Results

Proposition	Structural Paths	Estimates	Std. loading	CR.	P	Results
P1	GPVPR→GPI	1.230	0.664	02.369	0.023	Accepted
P2	GTPR→GPI	2.206	0.922	02.210	0.021	Accepted
P3	GPRiskPR→GP	0.169	0.272	0.623	0.127	Rejected

Source: Developed from the primary data using AMOS 26 version