

Impact of Green Marketing on Consumer Attitudes and Consumer Purchase Intention in Sri Lanka

Jayathilaka, K. G. S. A.,
Faculty of Management and Finance
University of Ruhuna, Sri Lanka
sameera.a.jayathilaka@gmail.com

De Silva, J. H. R.,
Business Academics
Business Management School, Sri Lanka

Abstract

Purpose –The purpose of this research is to investigate the impact of green marketing on consumer attitudes and consumer purchase intention in selected large-scale retail outlets. The Conceptual framework was built based on the green marketing mix (4Ps) and linked them into consumer attitude.

Design/methodology/approach – Descriptive cross-sectional research study was carried out to test the formulated hypothesis. Data were collected from 150 respondents from Matara district consumers who visit retail outlets for their consumer needs, through structured questionnaires. Data were analyzed by using partial least square modeling with the support of Smart PLS software.

Findings – There are six hypotheses with a positive relationship among variables and other four with a negative relationship. The result is a positive impact of the green marketing mix on consumer purchase intention.

Research limitations/implications – The study was carried on FMCG market and this can be an extent to industrial goods, luxury goods and semi-luxury goods in future research. The same study can be further extended by using extended marketing mix (7Ps).

Practical implications – This research suggests the consumer attitudes and consumer purchase intentions have an impact on green marketing. Therefore, it offers knowledge on green marketing strategies which can be helpful for retail outlets.

Originality/value – This research contributes to academics, to study on green consumer behavior and managers, to make their actions on green marketing and policymakers, on their future decisions on environmental protective actions.

Keywords: Consumer attitude, green marketing, marketing mix, purchase intention

INTRODUCTION

“In today’s business world, the increased environmental awareness has had consequences for consumer behaviour, namely on green purchase intention and green marketing has got the attention of the consumers as it has become a global problem and due to environmental deterioration” (Kumar, 2011, p.59). The Green marketing concept mentions that the marketers should identify, anticipate and satisfy the needs and want in a socially acceptable manner of their target customers at a profit (Kotler, 2013). Green marketing concept was very successful invention and a practice for organizations as they were producing and offering their products/services after identifying specific needs and wants of their customers. However, some researches argue even though many consumers claim that they care about the environment when they make their purchase decision, their buying behaviour does not always reflect this preoccupation (Kalafatis et al., 1999; Gardyn, 2003).

“The environment deterioration has become a considerable challenge for the world community and this situation has affected to increase consumer attitude towards green products in order to preserve the environment” (Luck et al., 2009, p.2). As well as the environmental protection attitude has taken place with the people to purchase eco-friendly foods (Solomon, 2010).

The factors have got the attention of world community on protecting the environment and enhance personal health. Many countries have derailed their policies and practices to have a green environment and healthy people. Countries like Germany, Mexico and Holland are having best recycling practices to protect the environment and they have introduced new legislation to demotivate artificial packaging which harms to the environment. Recent studies (Molina-Azorinet al., 2009; Hung and Kung, 2011) have shown that the green management has a positive impact on financial performance. Also, many firms are using green marketing as a tool to get a competitive advantage (Chen and Chai, 2010). Likewise, an entire world is practicing green practices on goods and services.

Nevertheless, Green marketing has become a popular topic with the rising environmental issues and increment of consumer concentration on environmental matters (Solmon, 2010). Consumer behavior on a purchase of green product has tested previously in New Zealand early under the price consciousness, quality consciousness, environmental consciousness and brand loyalty (Gan et al., 2008). But, this study hasn’t concerned the influential factors such as

promotion. As well they have concerned only about New Zealand customers. Another recent survey was conducted in 2012 with 1000 amount sample of American consumers. The results of the study were only 44% of consumers are trust environmental claims of the organization and 42% respondents are discouraged to buy environmental products as they think that the price of environmental products is superior to conventional goods (Tracker, 2012). Likewise, a number of previous studies can be seen regarding green purchase behavior of consumers. But, most of them are about American and other Western markets and few considerable studies have conducted on Sri Lankan consumer market.

Sri Lanka has many experiences with environmental issues and several malpractices of marketing goods, at a social and environmental acceptable manner. Sri Lankan farmers are using a large portion of fertilizers and chemicals to protect and increase their harvest. Recent scientific studies done on available fruits and vegetable to be sold in Sri Lankan market had found that local fruits and vegetables are consists with “Arsenic” and it has affection to have cancers on a human body (WHO, 2012).

Even though many countries have identified this situation Sri Lanka have less concern for green practices. Therefore, it is a need to implement green marketing as the best alternative to overcome the present issue. This study based on the present consumer purchase intention on green marketing and to propose and identify future development needs and enhancement of green marketing to achieve the organizational objectives. This study will fill the above gap by analyzing how the green marketing mix effect on consumer attitudes and finally how it effects on the consumer purchase intention. It reflects consumer perception on green marketing mix under cognition and affection component of attitude. Finally, it measures how those components impact on consumer’s attitudes and purchase intention.

LITERATURE REVIEW

Green marketing

Green marketing refers to the modified action of the marketing mix under environmental friendly and socially acceptable manner (Kotler, 2013). According to American Marketing Association (1975), it is very simple and anyone can simply identify the concept of green marketing as marketing products or services without making any harm to the environment. It’s a simple definition of green marketing and it consists a broad meaning regarding the environment and marketing effort. However, later Small Business Community of Canada

(2011) defines green marketing as the process of selling products and/or services based on their environmental benefits. According to this concept, the organizations should consider environmental friendliness. However, it will need to assess such a product or service that may be environmentally friendly and make sure the customer needs are satisfied. The change from ecology to “green” was accompanied by a change in focus from environmentalism to sustainability. Thus, “green” is not only focusing to reduce environmental damage by tapping into consumer demand but also seeking consumption to create a sustainable development.

When compares the similarities of some definitions of green marketing concepts such as AMA (1975) states conduct marketing without harming to environment and Polonsky (1994) states green marketing as fulfill human needs and wants, without harming to environment and Pride and Ferrell (1993) states organizational effect on the controlling marketing mix without harming to environment. Those definitions highlight they are more focused on conducting their marketing efforts in an environmentally friendly manner. It shows the willingness of corporations and people to keep the environment as it is for future generations. The concept of green marketing can be identified as future-oriented concept and marketers can contribute to the environmental protection with their effort by applying green marketing.

The new socio-economic challenges to the world such as; global warming, extreme weather conditions, soil erosion and other natural disasters caused by excessive consumption and the disastrous consumer behavior have made the eyes open of the global community (WHO, 2013). Therefore, environmental friendliness has been evolving to a significant level at present (Polonsky, 1994).

Although the green marketing concept began to be discussed in the 1960s, it was in the late 1980s and early 1990s that the concept begins to be formalized and generalized. The American Marketing Association held the first workshop on the topic in 1974. In this workshop, green marketing was defined as the study of positive and negative aspects of pollution and depletion of energy sources (Kinneer and Taylor, 1973). According to Polonsky (1994), green marketing consists of all planned activities to generate and facilitate exchanges in-order to satisfy human needs and desires with the least impact possible on the environment. This statement adds an important dimension: a more humanistic marketing concept that includes ecological and social components and one based on minimization of environmental damage. Crane (2000) argues for the existence of a relation between morality and green marketing, because the environment implies some ethical questions that marketing should contend with.

Peattie and Charter (2003) defined green marketing as the holistic management process responsible for identifying, anticipating and satisfying customer needs and society in a profitable and sustainable perspective. Soonthonsmai (2007) adds to the definition that firms which are concerned about the environment should develop green products/services with the aim of achieving consumers' and society's satisfaction. Indeed, several authors advocate that green marketing incorporates a broad range of activities, from the R & D, design, manufacturing process, and packaging to advertising. According to Peattie and Charter (2003), marketers should not only look for internal processes of the production, but also for the impact of production and consumption in the quality of life and development of a sustainable society. The same authors suggested that for the success of green marketing it is necessary to add to the four traditional Ps of marketing, the four "Ss": customer Satisfaction, product Safety, Social acceptability and Sustainability of the products.

Ottman (1993) believes that the emergence of green marketing is a result of the finding that companies are being evaluated not only based on the product/service performance, but also on their social and environmental responsibility. Green marketing appears as a supporting tool for monitoring, seeking and fulfilling consumer needs and desires in a context of environmental responsibility. Therefore, since green marketing is considered by many authors to be one of the major trends in modern business (McDaniel and Rylander, 1993; Pujari and Wright, 1996; Kassaye, 2001), and it is important to understand to what extent the emergence of this concept is affecting consumer preferences.

Green Marketing Mix

Green marketers must address the 'four Ps' in innovative ways (Pranam and Soumyajith, 2012). Marketing strategies and tactics are now have been modified with the new technology and creativity. Web based products, digital marketing, social media marketing and relationship marketing can be identified as an innovative application of marketing mix according to the rising competitiveness. The traditional 4 Ps could be identified as Product, Price, Promotion, and Place. These elements could further be analyzed with respect to the green applications (Pranam and Soumyajith, 2012).

Kotler (2013) defines the product as anything which satisfy our consumers. Further, Price can be simplified as the amount of money charged for a product or a service. However, many consumers think that the green products are more expensive than conventional products and some consumers think and it's not due to the health part (Chang, 2011). According to Chang

the producers get the benefit out of the belief and charge extra amount for green products. Place refers to make the product available. It has a great impact on marketing, if the product is not available to buy the customers interest may reduce (Kotler, 2013). Place including channels, coverage, and assortments. Furthermore, a point of purchase “The location where the purchase made” is an important factor (Kotler and Keller, 2009). Store display / merchandising play a major role in consumer purchase intention by differentiating and helping recognition of products (Solomon et al., 2010). Most consumers are looking for non- polluted places to fulfill their consumer needs (Wanninayake and Randiwela, 2008). Placement of green products can create a greater awareness of green-conscious consumers and it’s a better option for them to purchase of green products (eurocommerce.com).

“Promoting products and services to target markets includes paid advertising, public relations, sales promotions, direct marketing and on-site promotions” (Kotler and Keller, 2009, P.512). Smart green marketers will be able to reinforce environmental credibility by using sustainable marketing and communication tools and practices. Green promotions help consumers to identify and understand products and services and it helps to create consumer awareness towards products or services. “Green advertising addressing varied environmental issues, corporate image, environmental friendliness, the environmental credential of larger companies and promoting some the environmental responsible behaviors” (Hartmann and Apaolaza-Ibanez, 2009, p.717).

Green product and consumer cognition: Due to the concerns with the environment, marketing mix is identified as a very important element in eco-friendly products. Chitra (2007) identifies green marketing mix: product, price place, and promotion. It is explained that the product is to a provide healthy consumption, place as the product availability and its awareness. Kotler (2003) defines the term of product as “a product can be anything which satisfies the customer needs and wants”. It states that Producers should focus on the consumer needs and wants and produce their products accordingly to satisfy the customers. A good product which has identified the needs and wants of their target market always makes a demand from consumers and will make profits for the organization.

Consumer cognition refers to the selection of one product among many alternatives and consumer attention has increased on green products due to environmental and health issues during past decades dramatically (WHO, 2013). It shows the consumer willingness has gone up on seeking green products in the marketplace. This will bring an advantage for green

products to be selected by customers as their first attention grab on green products available. This shows the impact of green products on consumer cognition as customers are seeking green products among all products available in the market.

H1: There is an impact of green products on consumer cognition

Green product and consumer affection: The affective component of attitudes refers to feelings or emotions linked to an attitude object (Eagly and Chaiken, 1993). Affective response influence consumer attitudes in different ways. The primary way of affection refers to people feel about product appearance and then responds on it. Positive feelings effect to have a favourable picture towards the product on the minds of the customers. Consumers became more environmentally conscious from the mid-1990s, and that consciousness gave birth to green consumerism (Uusitalo and Oksanen, 2004), which later formed a broader consumption concept called ethical consumerism. The formation of specifically named consumers created a change in the industry's view of consumers; they became not only individuals but also symbolic consumption groups who represented social values, ideas, and ideologies. With continued growing force from consumers, sustainability marketing developed in the late 1990s (Charter and Polonsky, 1999).

According to Charter and Polonsky (1999), sustainability marketing promotes the 'building and maintaining of sustainable relationships with customers, social environment, and the natural environment'. In coping with the trend toward sustainability, corporations needed to implement green marketing strategies, like improving products and manufacturing processes, which would lead to long-term, sustainable business development. Today green products are much popular among the consumers among the world due to health and environmental concentrations of customers (WHO, 2013). It leads consumers to see green products actively at the marketplace and it shows the impact of green products on consumer affection component.

H2: There is an impact of green products on consumer affection.

Green price and consumer cognition: Price is the value the product or service is produced and eco-friendliness is identified in the promotion of products and services. According to Chatterjee (2011), the consumers attempt to buy eco-friendly products which have got the highest impact to the environment (Cited in Rhabar and Wahid, 2011). Certain amounts of consumers consider the price of eco-friendly products as little expensive as the conventional ones (Chang,

2011).

Consumers are identified as sensitive towards price in the purchase of green products. That affects the consumer's decision making towards green products (Anderson and Hansen, 2004; Ottman, 2000). A green product also viewed as competitively. Therefore, the pricing strategy must be competitive in green products (Miller and Layton, 2001). According to Pirani and Secondi, (2011), in a survey made in the European countries on 27000 respondents in the survey around 75% of them are willing to buy green products at a higher price than the normal products and in Swedish, the percentage is around 88%. Price is perceived by consumers as a symbol of quality (Kotler and Keller, 2009). This belief is pervasive when the price and quality are concerned.

According to Banerjee and McKeage (2003), green consumers strongly believe that current environmental conditions are deteriorating and represent serious problems facing the security of the world. However, consumers who do not believe in environmentally friendly behaviour generally perceive that these ecological problems will be "resolved themselves," Therefore, in an individual's perception on the seriousness of environmental problems may influence the consumer's willingness to pay more for products which are compatible with the environment (Laroche, et al., 2007).

H3: There is an impact of green price on consumer cognition.

Green price and consumer affection: During the consumer decision making process, customers sometimes do not follow the five stages of the decision-making process. (Problem recognition, information search, evaluation of alternatives, product selection and decision making) Sometimes the customer may purchase products due to the environmental cues. In that situation, the decision making is affected by the customers' affection (Solomon et al., 2009). Consumers are having pre-judgment (perceived price) about the product with their purchase experience and they have identified brands according to the perceived price (Picket-Baker and Ozaki, 2008). It has an effect to categorized brands on the consumer mind as high valued products and low valued products.

According to the study carried out by Morwitz, Greenleaf and Johnson (1998) the impact of partitioned pricing on purchase intentions and recall of total costs was examined and they found that partitioned prices decreases consumers' recalled total cost and increases their purchase

intentions. Partitioned pricing can be defined as the main price, which serves as an anchor in this context, plus other charges such as installation charges, handling charges, and service charges. With the arrival of the e-commerce consumers more often encounter partitioned prices than they did before.

H4: There is an impact of green price on consumer affection.

Green place and consumer cognition: Wanninayake and Randiwela (2008) found that most consumers prefer to make their purchases at non-polluting places. The attitudes of consumers at the point of sale and store display are very important when they make purchases of grocery brands (Anselmsson and Johansson, 2007). Placement of green products in the store can more visibly attract customers increasing their awareness as well (eurocommerce.com). People have tended to seek eco-friendly places to spend their leisure times such as tree houses, nature parks, wooden made restaurants and hotels. Recently many eco-friendly marketplaces such as floating markets in Thailand and Sri Lanka have become more popular among customers to purchase goods while enjoying the environment.

Wakefield and Baker (1998) proved that the probability of customers staying longer in store increases due to atmospheric stimulus. When a consumer feels satisfied with the retail environment of the store, he spends more time in a store and buys more because of pleasant environmental stimuli (Bohl, 2012). The environment has a huge impact on the consumers' emotion and satisfaction. The impressive atmosphere of the retail chain outlets enhances the customer satisfaction level and purchase experience (Silva and Giraldi, 2010).

Cleanliness is the appearance of the retail chain outlet that improves the atmosphere which affects the customers feeling towards the outlet. Customers create a positive or negative word of mouth about a retail chain outlet by looking at the cleanliness (Banat and Wandebori, 2012). Cleanliness can improve store atmosphere (Gajanayake and Surangi, 2011). Cleanliness of a store creates positive impression among consumers and makes them stay longer in the store. Product display and Cleanliness are very important for the outlet selection (Wanninayake and Randiwela, 2007). Cleanliness of the outlets creates an image of comfort and luxury in the customer's mind due to which customers stay for more time in retail chain outlets and make more purchases (Yun and Good, 2007).

H5: There is an impact of green place on consumer cognition.

Green place and consumer affection: The Place takes a considerable position in the marketing mix as it refers to make the product available in the market. The consumer attitude on the point of grocery brands, producers add extra information to their consumers when processing and ready to make a purchase in the store to make their buying decision at the store and to remind the store (Anselmsson and Johansson, 2007). Their focus on the above strategy is to increase consumer concentration on grocery products and others on the corporate social responsibility of retails market how the green consumers evaluate product information and responsibility on the point of purchase to influence consumer attitude before making purchases in the store. Many environment lovers seek green places which positioned in their mind to fulfill their consumer needs such as hotels, food cities, locations and others. Use of color for the places has been much effective on green place mix and it will affect to producers attract customers (greenproductplacement.com). For example, many people wish to visit Bangkok in Thailand for shopping and world Disney to get experience. As well as many green lovers wish to visit eco-friendly places such as jungles, waterfalls, riversides, seaside and other environmental places.

H6: There is an impact of green place on consumer affection.

Green promotion and consumer cognition: According to Kotler and Keller (2009) promotion involves “sales promotion, advertising, sales force, public relations and direct marketing”. However, in our study we will mainly focus on advertising because our survey deals with attitudes and purchase intentions of green products that consumers can find in a supermarket and we suppose that other elements from promotion such as sales force or public relations have low importance in supermarkets, indeed people do not need much help (sales force) when they shop for everyday products. Consumers are also concerned with the promotions of eco-friendliness of products that persuade customers to adopt environmental concerned purchasing behaviour (Ann et al., 2012).

Ottman (2007) stated that with the changes in the industry, society and public life made it possible for green marketing to gain stable recognition in the marketplace due to promotions. These changes took the form of advancements in technology, enforcement of claims by the government, governmental regulations and incentives, active environmental groups and advertising media. This can be implemented through the point of sales techniques, hoardings, bill boards, web banners and other visible items.

H7: There is an impact of green promotion on consumer cognition.

Green promotion and consumer affection: The performance of products in terms of product quality, taste and image etc. are vital. The green consumer will not be influenced to buy because of the greenness alone. The attitude of the consumer has to be changed by highlighting the benefits of the products. That will help the customer to determine his or choice on green products (Wong et al, 1996). Wannimayake and Randiwela (2008) have studied on the impact of product package during the customer decision-making process. They have found that there is a significant impact of product packaging as a green product from the FMCG sector. However, this survey has been done in Sri Lanka and India.

Advertising used in the green product can appeal to customers with differentiation. That could appear different from conventional products. The advertising could be on emotional stressing that the product attributes (Schuhwerk and Lefkoff-Hagius, 1995). Advertising on green products can vary from environmental issues, environmental friendliness of products, the image of the corporation and it could emphasize the environmental responsible behaviours (Hartmann and Apaolaza, 2009). The emotional appearance of consumers influenced my marketing promotions can result in purchase actions of customers. This will lead the consumer to enhance the recognition and recall of green products. According to a European study made by Gallup organization, 30% of the European think that the best way for retailers if they want to promote their green products is to provide information as much as possible (Flash Eurobarometer, 2009). However, there is also an argument stating that the consumers who are highly getting involved in green marketing are less affected by advertising as they have many attachments to the products (Chitra, 2007).

H8: There is an impact of green promotion on consumer affection.

Consumer cognition and purchase intention: Purchase intention can be identified as ‘what customer think they will buy’. However, it has been less predictive of their future behaviour than measuring what the customers expect to do. (Blackwell et al., 2006). The trend of consumer behaviour towards eco-friendly products has been increasing over the years (Gant, 2007). The consumers those who have been positive towards the environment have shown their willingness to purchase green products (Balderjahn, 1988). However, it is also identified that, even if the consumers are concerned about the issues in the environment caused by consumption patterns of the people, they will not buy necessarily green products (McEachern and Carrigan, 2010, cited in Solomon et al., 2010).

Green consumers' concerns include the production and consumption processes in addition to the purchase itself. Roper (1990) identified consumer profiles associated with green product purchases and attitudes and classified them into five groups: true-blue greens, greenback greens, sprouts, grouzers and basic browns. The true-blue green consumers, showing the highest level of environmental concern, constituted 30% of the US population in 2007 (La Marguerite, 2009). In explaining the mechanism driving consumers' green purchase behaviours, scholars suggested that the growth of consumers' pro-environmental values led to pro-environmental behaviour (Pickett-Baker and Ozaki, 2008).

H9: There is an impact of cognition attitude on behavioural intention.

Consumer affection and purchase intention : "The consumers' attitudes affect their thoughts and feelings and thus influence behaviour such as purchasing behaviours" (cited, Pickett-Baker and Ozaki, 2008, p.282, Ajzen, 2005, p.3). The past experience of the green products could result to have a positive or negative idea towards them which could influence the behaviour of the consumer whether to purchase the eco-friendly products or not. Once consumers are having a positive attitude on green products their intention goes to purchase green products. A green consumer can be simplified as a person "who adopts environmentally-friendly behaviours and/or who purchase green products over the standard alternatives" (Vernekar and Wadhwa, 2011). Recent studies have found that consumer behaviour trends towards eco-friendly attitudes have been increasing. For an example, a survey made by UK corporate bank in 1999, has found 17% of respondents are "feel guilty about unethical purchase" and it has increased 44% in 2005 (Grant, 2007, p. 35).

Consumer satisfies and discontent are the customer judgment whereas a firm succeeds or let down in meet expectation (Oliver 1980). Met potential outcomes in consumer satisfaction unmet expectation outcomes in consumers' frustration. In his other writings, Oliver (1997) define satisfactory summary of mental state results when the feeling of immediate unconfirmed expectation is attached with a prior feeling almost customer practice. In simple, satisfactions have conceptualized in term of whether the goods or services meet customer requirements and expectation (Zeithaml&Bitner 2000).

H10: There is an impact of affective attitude on behavioural intention.

3. METHODS

Conceptual Framework

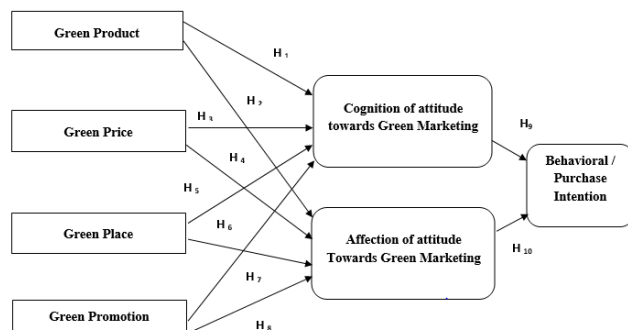


Figure 1: Conceptual Study Model

Source: Author developed based on literature review

Figure 1 shows the conceptual framework of the research study. The marketing mix variables have been taken as independent variables while cognition and affective components of attitude have been the mediating variables that lead to making consumer purchase intention which is the dependent variable.

Research design

A descriptive cross-sectional research study was carried out to test the formulated hypothesis. In this research, the population is the entry population of the country population. The sample size for the research is 150 customers who visit local food cities for their daily purchase needs. Basically, three locations have been identified as a field to gather data and selected food cities are Cargills Food city, Keells food city and Arpico food city in Matara. Convenient sampling technique is used for the study. Required data will be gathered through a structured questionnaire by forwarding to the selected population and questionnaire will consist of questions which align with the research objectives. The questionnaire will be prepared in English and Sinhala. The questionnaire will be pre-tested to clarify misunderstandings and necessary changes will be made to upgrade the questionnaire. Collected data sorted and analyzed by using SPSS and SMART PLS software packages. Cross-tabulations, regressions, correlation, regression and other analysis techniques used to analyze data to assess the relationship between independent and dependent variables.

Results and discussion

Ten hypotheses were developed based on the framework based on the literature and the first hypothesis was that there is an impact green product on consumer cognition. The second hypothesis was that there is an impact of green product on consumer affection and both first and second hypotheses were supported with the literature of Kotler, 2013 and Soonthonsmai, 2007. The third hypothesis was that there is an impact of green price on consumer cognition and the fourth one was that there is an impact of green price on consumer affection. Both hypotheses supported with literature from Chang, 2011. Fifth and sixth hypotheses were that there is an impact of green place on consumer cognition and there is a positive impact between green place and consumer affection with the literature support of Wanninayake and Randiwela, 2008. Seventh hypothesis states that there is an impact of green promotions on consumer cognition and eighth hypothesis was that there is an impact of green promotion on consumer affection with the literature support of Ann et al., 2012 p. 96. Next hypothesis was that there is an impact of consumer cognition on purchase intention and it was supported by the literature of Blackwell et al., 2006. Final hypothesis was that there is an impact of consumer affection on purchase intention and it was supported by the literature of Vernekar and Wadhwa, 2011.

Confirmatory factor analyze was carried out to verify the unidimensional of the data and check the reliability of each measurement scale of variables. Generally, the data analysis conducted by using smart PLS or PLS-Graph, and followed two stages such as assessing the outer model and assessing the inner model (Urbach and Ahlemann, 2010). Standardized factor loading and t-values of each item and composite reliability and Average Variance Extracted (AVE) value of each construct were used to check the fitness of the model.

The original model consisted of 32 items and reproduced model developed by removing 9 items. Each item which has below 0.5-factor loading value and below 1.96 amounted t-value ($\beta < 0.5; t < 1.96$) were deleted from the original model and final model were created with the items which have above 0.5-factor loading by following the guidelines of Bagozzi et al. (1991). The reproduced model has consisted of 23 items which were among the requested factor loading and t-values as below table 1.

Table 1: T-Values

Variable	Original (Items)	Reproduced (Items)	Reliability/Validity (Original)	Reliability/Validity (Reproduced)
Green Product	9	4	0.780/0.291	0.765/0.527
Green Price	3	3	0.699/0.447	0.700/ 0.562
Green Place	4	4	0.854/0.596	0.854/0.596
Green Promotion	5	5	0.850/0.536	0.850/0.536
Consumer Cognition	3	2	0.560/0.441	0.785/0.653
Consumer Affection	4	2	0.507/0.303	0.762/0.617
Purchase Intention	4	3	0.659/0.351	0.742/0.533

(Survey Data, 2015)

Source: Author developed

The hypothesis of the study can be evaluated t-value for each loading, path coefficient and significance level (Hair et al., 2006). Required cut off criteria for hypothesis testing were greater than or equal to 1.645 t-value, positive path coefficient and $P < 0.05$. Ten hypotheses were tested under the model and values obtained by running Smart-PLS software. There were ten hypotheses were tested according to the reproduced model and six of them were supportive as per the analysis is shown below table 2.

Table 2: List of Hypothesis

Hypothesis	Results
H1: There is an impact of green product on consumer cognition	Not Supported
H2: There is an impact of green product on consumer affection	Supported
H3: There is an impact of green price on consumer cognition	Supported
H4: There is an impact of green price on consumer affection	Not Supported
H5: There is an impact of green place on consumer cognition	Not Supported
H6: There is an impact of green place on consumer affection	Supported
H7: There is an impact of green promotion on consumer cognition	Not Supported
H8: There is an impact of green promotion on consumer affection	Supported
H9: There is an impact of consumer cognition on purchase intention	Supported
H10: There is an impact of consumer affection on purchase intention	Supported

Source: Author developed

Discussion

The main objective of this study was to examine the impact of green marketing on consumer purchase intention in Sri Lanka. The conceptual framework for the study was developed with linking green marketing mix with the consumer attitudes and it linked with the consumer purchase intention as mentioned in figure 1.

Ten hypotheses were developed based on the framework based on the literature and the first hypothesis was that there is an impact green product on consumer cognition. The second hypothesis was that there is an impact of green products on consumer affection and both first and second hypotheses were supported with literature of Kotler, 2013 and Soonthonsmai, 2007. The third hypothesis was that there is an impact of green price on consumer cognition and fourth one was that there is an impact of green price on consumer affection. Both hypotheses supported with literature from Chang, 2011. Fifth and sixth hypotheses were that there is an impact of green place on consumer cognition and there is a positive impact between green place and consumer affection with the literature support of Wanninayake and Randiwela, 2008. Seventh hypothesis states that there is an impact of green promotions on consumer cognition and eighth hypothesis was that there is an impact of green promotion on consumer affection with the literature support of Ann et al., 2012 p. 96. Next hypothesis was that there is an impact of consumer cognition on purchase intention and it was supported with the literature of Blackwell et al., 2006. Final hypothesis was that there is an impact of consumer affection on purchase intention and it was supported with the literature of Vernekar and Wadhwa, 2011.

This research is very useful for academics as this refers to an emerging study area such as green marketing and this refers to future-oriented area of marketing. This research covers entire marketing mix than measuring the impact of one or few marketing mix element and this would be useful to get a broader view about green marketing mix for the academics and students to for their future research purposes. The model for the study was developed with ten hypotheses based on literature support and some hypotheses were not supported with the result of the study and those areas would effective to draw the attention of the academics to concentrate again and reanalyze those study areas.

The contribution of this study if more valuable for managers because of green marketing is a new trend of marketing and it has a minimum application in Sri Lankan market. Finding of the study reflects many areas to be concern by the managers on their green marketing effort. According to the finding of the research, green product did not have a positive impact on

consumer cognition. However green product had a positive relationship with consumer affection. This should consider by the managers to position their green products well on the mind of their target group as cognition refers to thought towards a product. Both consumer cognition and affection showed a positive impact on their purchase intention and this shows that the managers could focus more on green consumer behavior to be successful with their marketing effort.

Green marketing is a newly developed area in Sri Lanka and it could develop in many areas such as development, promotion, education, and infrastructure development. With the results of this research, it mentioned that the cognitive interests of the consumers towards green marketing mix shows a negative relationship with many cases. Here the policymakers can make actions at their level to increase awareness of the people towards green products and they can make policies to promote this green consumerism. As well as they can mention the people, their social responsibility as a nation through promotion and educating the society. The green place shows a negative impact on consumer cognition and a positive impact on consumer affection. This reflects that the consumer does not think about the place they buy or visit and they love to have a green place when they are attempting to purchase of green products. However, the policymakers should identify the expectations of green consumers to develop this area in future. Especially they can grant subsidies for green producers, bring out new policies to prevent fertilizer usage, and develop new green destinations for eco-tourism entrepreneurs to develop green marketing in Sri Lanka.

Future Research

This study mainly focused on the consumer purchase behavior on FMCG goods. This can be conducted for other goods such as industrial products, luxury goods, semi-luxury goods and other convenience goods as consumer buying behavior may vary with the type of products. Same way the consumer perception can be measured through the industrial green application of the companies. This study is highly focuses on the impact of the traditional marketing mix (4Ps) and it can study further by using extended marketing mix (7Ps) with purposing to measure the consumer purchase intention on green services. The same study can be extended to measure the gender influence on the purchase of green products by using a homogeneous gender sample for the study. Same way it can be extended with a more focus on selecting a homogeneous sample such as similar educational qualification holders, people within the

same age groups. The sample size had to be limited to 150 respondents due to the time frame the quality of the research could be increased by increasing the sample size.

ACKNOWLEDGMENT

We would like to extend our heartfelt thanks and gratitude to Dr. Thusitha Gunawardhana, for the guidance and encouragement given to us and to those who contributed and assist us to complete this research. Special thanks go to our family members and friends for their support and motivation have given to us.

REFERENCES

- Ajzen, L. and Fishbein, M. (1980) *Understanding Attitudes and Predicting Social Behaviour*. Englewood Cliffs, NJ: Prentice-Hall.
- Ann, K. Amir, G. and Luc, W. (2012) Go Green! Should Environmental Messages Be So Assertive?. *Journal of Marketing*, 46, p.95-102.
- Anselmsson, J., and Johansson, U. (2007) Corporate social responsibility and the positioning of grocery brands: An exploratory study of retailer and manufacturer brands at point of purchase. *International Journal of Retail & Distribution Management*, 35(10), p.835-856.
- Banerjee, A. and Solomon, B.D. (2003) Eco-labeling for energy efficiency and sustainability: a meta-evaluation of US programs. *Energy Policy*, 31(2), p.109-123.
- Blackwell, R.D., Miniard, P.W. and Engel, J.F. (2006) *Consumer Behavior*. 10th edition. Mason: Thomson Higher Education
- Chen, T. and Chai, L. (2010) Attitude towards the environment and green products: consumers' perspective. *Management Science and Engineering*, 4 (2), p.27-39.
- Chitra, K. (2007) In search of the Green Consumers: A perceptual Study. *Journal of Services Research*, 7(1), p.173-191.
- Crane, A. (2000) Facing the backlash: green marketing and strategic orientation in the 1990s. *Journal of Strategic Marketing*, 8(3), p.277-96.
- Eagly, A. H. and Chaiken, S. (1993) *The psychology of attitudes*. Fort Worth, TX: Harcourt Brace Jovanovich.

- Gajanayake, R., Gajanayake, S., & Surangi, H. (2011). The impact of selected visual merchandising techniques on patronage intentions in supermarkets. *2nd International Conference on Business and Economic Research*, p. 1130-1154. Malaysia.
- Gan, C., Wee, H.Y., Ozanne, L. and Kao, T. (2008) Consumer's purchasing behavior towards green products in New Zealand. *Innovative Marketing*, 4(1), p.93-102.
- Grant, J. (2007) *The Green Marketing Manifesto*. 1st Ed. Chichester: John Wiley & Sons, Ltd.
- Hair, J. F., Ringle, C. M. and Sarstedt, M. (2011) PLS-SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice*, 19(2), p.139–151.
- Hartmann, P. and Apaolaza-Ibanez, V. (2009) Green Advertising revisited. *International Journal of Advertising*. 28(4), p.715-739.
- Johnson, P. and Clark, M. (2006) *Business and management research methodologies*. Sage.
- Kalafatis, S.P., Pollard, M., East, R. and Tsogas, M.H. (1999) Green marketing and Ajzen's theory of planned behaviour: a cross-market examination. *Journal of Consumer Marketing*. 16 (5), p.441-60.
- Kassaye, W. (2001) Green dilemma. *Marketing Intelligence & Planning*, 19 (6), p.444-55.
- Kinnear, T. and Taylor, J. (1973) The effect of ecological concern on brand perception. *Journal of Marketing Research*, 10, p.191-7.
- Kotler, P. (2013) *Marketing management*. Millennium Ed.
- Kumar, P. D. (2010) Green Marketing: A Start to Environmental Safety. *Advances in Management*, 4(12). p. 59-61.
- Laroche, M., Bergeron, J., and Barbaro-Forleo, G. (2001) Targeting consumers who are willing to pay more for environmentally friendly products. *Journal of consumer marketing*, 18(6), p.503-520.
- McDaniel, S.W. and Rylander, D.H. (1993) Strategic green marketing. *Journal of Consumer Marketing*, 10(3), pp.4-10.
- Miller, K.E. and Layton, R.A. (2001) *Fundamentals of Marketing*. 4th Ed. Sydney: McGraw-Hill.

Ottman, J.A. (2000) It's not just the environment, stupid. Retrieved August, 2004, downloadable at http://www.greenmarketing.com/articles/IB_Sept00.html

Peattie, K. (1999) Trappings versus substance in the greening of marketing planning, *Journal of Strategic Marketing* 7(2), p.131–148.

Pickett-Baker, J. and Ozaki, R. (2008) Pro-environmental products: marketing influence on consumer purchase decision. *Journal of consumer marketing*, 25(5), p.281-293.

Pirani, E. and Secondi, L. (2010) Eco-friendly attitudes: what European citizens say and what they do. *International Journal of Environmental Research*, 5(1), p.67-84.

Polonsky, M. J. (1994) An Introduction to Green Marketing. *Electronic Green Journal*, 1(2), November, Retrieved from <http://egi.lib.Uidaha.edu/egj02/polon01.html>

Pujari, D. and Wright, G. (1996) Developing environmentally-conscious product strategy: a qualitative study of selected companies in Britain and Germany. *Marketing Intelligence & Planning*, 14(1), p.19-28.

Schuhwerk, M.E., and Lefkoff-Hagius, R. (1995) Green or Non-Green? Does Type of Appeal Matter when Advertising a Green Product? *Journal of Advertising*, 24(2), p.45-54.

Solomon, M. R., Bamossy G., Askegaard S., and Hogg M. K. (2010) *Consumer Behaviour: A European Perspective*. 4th edition. New York: Prentice Hall.

Soonthonsmai, V. (2007) Environmental or green marketing as global competitive edge: Concept, synthesis, and implication. In *EABR (Business) and ETLC (Teaching) Conference Proceeding, Venice, Italy*.

Stern N. (2006) *Stern Review on the Economics of Climate Change*. HM Treasury and Cabinet Office: London. <http://www.sternreview.org.uk>

Urbach, N. and Ahlemann, F. (2010) Structural equation modeling in information systems research using partial least squares. *Journal of Information Technology Theory and Application*, 11(2), p.5-40.

Uusitalo, O., Oksanen, R. (2004) Ethical consumerism: A view from Finland. *International Journal of Consumer Studies* 28(3), p.214-221.

Vernekar, S.S, and Wadhwa, P. (2011) Green Consumption An Empirical Study of Consumers Attitudes and Perception regarding Eco-Friendly FMCG Products, with special reference to Delhi and NCR Region. *Opinion*.1(1), p.64-74.

Wanninayake, W. M. C. B. and Randiwela, P. (2008) Consumer attractiveness towards green products of FMCG sector: an empirical study. Oxford Business & Economics Conference Program.

Wong, V., Turner, W. and Stoneman, P. (1996) Marketing Strategies and Market Prospects for Environmentally Friendly Consumer Products. *British Journal of Management*, 7(3), p.263-281.