Factors Influencing Green Brand Loyalty and Green Purchase Behaviour

Fazeen Rasheed A.K
D. Yogendran
Aubin Abbas Mundol
National Institute of Technology
(fazeenrasheedak@gmail.com)
(sreeviyexielez@gmail.com)
(aubinmundol@gmail.com)


This study discusses the influences of green perceived value (GPV), green trust (GT), green brand loyalty (GBL) on green purchase behavior (GPB) of Indian consumers. Structural equation modelling (SEM) is used to obtain the empirical results of this study. The results are as follows: First, this study finds that GPV has a positive effect on GBL and GPB. Second, this study points out that GT has positive effects on GBL and GPB. Third, this study observes that GBL has a positive effect on GPB. Fourth, this study verified that GBL mediates the positive relationship between GPV and GPB as well as GT and GPB.

Keywords: Green Perceived Value, Green Trust, Green Brand Loyalty, Green Purchase Behaviour, Green Marketing

1. Introduction

The environmental awareness of the general public nowadays has increased dramatically in the light of issues relating to social and environmental concerns such as global warming and sustainability. Consumers are always willing to pay premium prices for those products which are claimed or projected to be environmentally friendly, sustainable and perceived to be supporting the claim of green product. These have come to prominent priority after recent concerns of environmental issues we face and growing awareness among people to contribute from their part to improve the environment (Groening, Sarkis, & Zhu, 2018). With such intrinsic scrutiny for the betterment of the environment, even at the international level, green marketing and production is the key driver of innovation. Because of such a surge in awareness, more and more companies are developing green products and consumers are keen to try those products. Green marketing has become a vital strategy in the wake of the environmental protection era to pull customers towards them, build green brand loyalty to differentiate their green products (Wu, Shwu-Ing: Lin, 2014).

Green marketing is becoming the hot topic of the world and is known as the intellectual sub-discipline of marketing. It examines the micro issues of green marketing in the past 2 decades (Kumar, 2016). With the growing concerns regarding the depletion of the environment, it has provided companies/firms a new market to pounce upon. This has led various firms to introduce new green products to the market and also convert their existing products to go compatible with green products. This way they try to fend off the competition and come out top to capture market share. Green marketing consists of developing, differentiating, pricing and promoting products with respect to the upliftment of the environment. This, in turn, requires firms to plan their strategies to improve perceived value green trust of their product. For a company to introduce its green product to the world, green marketing is absolutely vital and it influences the amount of sales a company would attain. Green marketing can not only provide a different strategy by creating needs that are environmental friendly, but it gives a whole new dimension to the existing market and increase the range of products (Y. S. Chen & Chang, 2012).

Through this study, we summarize the literature on social and green marketing into a new managerial framework of green brand loyalty and green purchase behaviour. It is a necessity that we see into the actual behaviour of buying patterns rather than looking for purchase intentions and hypothetical scenarios of customers (McDonald, Oates, Alevizou, Young, & Hwang, 2012). Acquisition transaction utility theory explains Individual evaluation of a product is determined by the acquisition utility and the transaction utility and the perceived value of the product. It is safe to say that green perceived value plays a vital role in green brand position and researchers have developed and confirmed the same (Y. Chen & Chang, 2012); (Koller, Monika: Floh, 2011)). Apart from that, this study would further go into an empirical test to substantiate the relationship between Green perceived Value, Green Brand Loyalty, Green Trust, and Green Purchase Behaviour. This paper proposes a new framework of green purchase behaviour with regard to the new developments of environmental trends in India to help firms understand the importance of green brand loyalty and thus by increasing the number of customers they are attracting through it.

The structure of this study is as follows. A literature review is mentioned in section two, and seven hypotheses are also proposed during this section. In section Three, this study describes the methodology. Then, the descriptive statistics, correlation coefficients between the constructs, reliability of the measurement, factor analysis, discriminant validity, convergent validity, and also the results of structural equation modeling (SEM) and mediation hypothesis are shown in section four. In the end, this study mentions the conclusions and discussions regarding the findings, implications in section five.
2. Literature Review

The positive influence of green perceived value on green brand loyalty

It has been long argued and researched being carried on whether there is a direct relationship between brand loyalty and green perceived value. Several researches have been carried out to confirm whether there is a relationship between Positive communication and price with green perceived value (Valenzuela, Mulki, & Jaramillo, 2010). On the contrary, it is also said that the influence falls somewhere in between uncorrelated trust and satisfaction of the product (Hur, Kim, & Park, 2013) (El Dief & Font, 2010)(Park & Kim, 2016). With the above cases being assessed, a study was thought after regarding the direct influence of Green Perceived Value with that of Green Brand loyalty. Green marketing is one of the most sought after trends, which allows companies to dip into new markets and increase their profitability and up their customer base. (Papista, Erifili: Krystallis, 2007) made attempts of the framework to broaden the understanding of the factors that determine the relationship development process between customer and green brand. The study provides theories that there is an indirect relationship between brand loyalty and green perceived value mediated by customer self-brand connection. It has been seen that there are 2 paths to obtain brand loyalty. One being by matching customers’ expectations relating to green benefits, while the second being meeting expectation of transparency in green marketing (Lin, Lobo, & Leckie, 2017). Hence, the subsequent has been hypothesized:

**Hypothesis 1**: Green perceived value is positively associated with green brand loyalty

The Positive Effect of Green Trust on green brand loyalty

Customer trust is attained by how good they receive the service, which in turn increases the customer commitment towards a company or brand (Grayson & Ambler, 1999). As defined in the social exchange theory, social behavior between customer and service provider improve with trust between them and further improve customer’s commitment (Singh & Sirdeshmukh, 2000). Handful of research papers have shown how the buyer-seller relationship is to be maintained. As per them, customer loyalty is directly related and depended on the trust a customer has towards the company or product (Martínez, 2015). For the sales margin of a company to grow up, they require their customers to return back and purchase more from them, and looking by the customer’s perspective, their trust in the product is what brings them back. For every purchase intention, green trust plays an important role. Thus it’s safe to say that customer trust is directly related to brand loyalty (Garbarino & Johnson, 1999). This study hence look forth towards the relationship between green trust and green brand loyalty of the customers through the hypothesis given below

**Hypothesis 2**: Green trust of customers is positively associated with their green loyalty

The positive influence of green brand loyalty on green purchase behavior

Customers are said to become loyal to a particular brand in a cognitive sense initially, then go on to an affective sense followed by conative sense and finally in a behavioral manner (Oliver, 2016). In any purchase behaviour of a customer, the first point of consideration is customer loyalty (Souiden & Pons, 2009). (Ehsan Malik, Muhammad: Mudasar Ghafoor, 1981). These studies indicate that there are positive influences between brand loyalty and purchase behaviour. For any company to have repeated purchases from the same customer they would require to improve their relationship between the customers and the effective solution is to have loyalty towards customers (Kuang Chi, Ren Yeh, & Ting Yang, 2009). Of late, companies have begun to promote their products by greenwashing and this has created a state of uncertainty in purchasing a product (Kalafatis, Pollard, East, & Tsogas, 1999). As consumers are moving towards sustainable products, companies are trying to take advantage of opportunities in the green marketing sector. Subsequently, brand loyalty towards green products could positively influence purchase behaviour and implies the hypothesis as follows (Y. S. Chen, 2010):

**Hypothesis 3**: The green brand loyalty of consumers positively associated with green purchase behaviour.

The positive effect of green perceived value on green purchase behaviour

Products are rarely described in full to the customers; hence the perceived value would positively influence their purchase intentions (Kardes, Posavac, & Cronley, 2004). Perceived value is such a set of trait which are related as how product gets its value, be that be higher or lower. It can hence be made extremely positive by marketing techniques and in turn, raise purchase intentions (Sweeney, Soutar, & Johnson, 1999), (Ashton, Scott, Solnet, & Breakey, 2010). Green washing of the product, although it causes customers to stave off from the product and move away to the alternatives which are more transparent in their claims while being a green product themselves (Kalafatis et al., 1999). Hence, green perceived value plays a very important role in the present era where every instance/product is being objectified concerning what role it plays in protecting the environment (Zeithaml, 1988). Previous works of literature have given an indication that perceived value directly influences customer purchase intentions (Gounaris & Tzempelikos, 2009), (Cronin, Brady, Brand, Hightower, & Shemwell, 1997), (Brady & Robertson, 1999), (Souiden & Pons, 2009)(Eggert & Ulaga, 2002). Customer purchase intention is heavily influenced on what perception a product has initially. Good perceived value attracts customers to purchase a product, while on the contrary, products having lesser perceived value have lesser market share (Cengiz & Kirkbir, 2007), (Chang & Chen, 2008). In the era of environmentalism where each and everything is seen in terms of saving mother Earth, green perceived value is very critical to green purchase value, hence this study tries to obtain the solution through the following hypothesis:
Hypothesis 4: Green perceived value is positively associated with green purchase behaviour.

The positive effect of green trust on green purchase behaviour
Integrity, Benevolence, and ability – the three beliefs of trust which is expected of on party by the other so that their word, promise or statement can be relied upon (Garske, 1976), (Schurr & Ozanne, 1985). For being a long term loyal customer of one party, trust is very influential that the other party will work on what was promised upon (Hart & Saunders, 1997), (Lee, Park, & Han, 2011). Customer purchase intentions are directly related to the trust consumer. This has been evident in previous studies (Harris & Goode, 2010), (Schlosser, White, & Lloyd, 2006). When buyers have a trustful interaction with the seller at least once, they intend to return for more from the same seller for more products. Thus, customer trust is the primary criteria for customer purchase intentions (Heijden, Verhagen, & Creemers, 2003). This has created a scenario where the companies are exaggerating their environmental performances of their product to sell. It has made customers to doubt the genuineness of the trust (Kalafatis et al., 1999). For any green product to be sold effectively, it can be said that green trust has a big influence in the present era. We could define green purchase behaviour as the likelihood that a customer buys a particular product due to his needs and desire (Netemeyer, Maxham, & Pullig, 2005), (Morrison, 1979). This study implies that the green trust of the customers positively influences the green purchase behaviour and proposes the following hypothesis

Hypothesis 5: Green trust is positively associated with green purchase behaviour.

The mediation effect of green brand loyalty between GPV and GPB
This study asserts that green perceived values of a company is positively affected by their green brand loyalty which thus influences their green purchase behaviour. In H1 and H4. In addition, this study also goes through to show that green perceived value of the company is positively related to customers' green purchase behaviour in H4. Thus, based on the above assertions, we can be certain that green perceived value is not only affected by customers' green purchased value, but also with green brand loyalty. With regards to the studies conducted, this paper puts forward the argument that green brand loyalty of the company plays an important role as a partial mediator and implies the following hypothesis:

Hypothesis 6: Green brand loyalty of firms partially mediates the positive relationship between green perceived value and green purchase behaviour.

The Mediation Effect of Green Brand Loyalty between GT and GPB
This study asserts that green trust of the company is positively influential to their customer's green brand loyalty which in turn influences their green purchase behaviour in H2 and H5, respectively. Apart from that, this study also gives a view that the green trust of customers positively affects customers' green purchase behaviour in H3. Thus, the green trust of a company not only positively affects green purchase behaviour but also positively affects green brand loyalty. Hence, this research asserts that green brand loyalty of customer plays as partial mediator and implies the hypothesis:

Hypothesis 7: Green brand loyalty of firms partially mediates the positive relationship between green trust and green purchase behaviour.

3. Methodology
This paper applies the questionnaire survey method involves the stimulus of printed advertisement of green marketing campaign of a real brand to verify the research framework and hypotheses. Stimuli framed for the study is the green advertisement of a cosmetic product in India. Which they mentioned that their product is environmental friendly and do not harmful to the consumer. This paper’s unit of analysis is consumer level. The research object focus on Indian consumers who have the experience to purchase green cosmetic products. The questionnaire was designed in a booklet form with instructions. Consumers were randomly assigned to answer the questions. The booklet consisted of two pages. The first page of the booklet started with the instructions to the respondents and the stimuli. The remaining page has the measurement items. The respondents were asked to fill the booklet without turning back to the proceeding pages and by keeping the stimuli in mind. About 402 questionnaires were given to the consumers who have the purchase experience of green cosmetic products and the responses with missing data (45) with incomplete forms (33) were discarded. Thus, 324 questionnaires with valid responses were finalized.

The Measurement of the Constructs
This paper evaluates the questionnaire items with ‘five-point Likert scale from 1 to 5’ rating from strong disagreement to strong agreement. We asked every respondent to go through with the advertisement of a cosmetic green product displayed in the questionnaire. Then, every respondent was requested to fill the questionnaire. The measurement of the constructs in this study is described in the following:

Green Perceived Value: This study proposes the notion of “green perceived value” and refers to (Patterson & Spreng, 1997) to define it as “a consumer’s overall appraisal of the net advantage of a product or service between what’s received and what’s given supported the green needs, sustainable expectations, and consumer’s environmental needs”. Besides,
this paper refers to (Patterson & Spreng, 1997) to measure green perceived value, and its measurement includes five items. (1) This product’s environmental functions offer very good value for me. (2) This product’s environmental performance meets my expectations. (3) I buy this product because it’s additional environmental concerns than alternative product. (4) I buy this product because it’s environmental friendly. (5) I buy this product as a result of its additional environmental benefits than alternative product.

**Green Trust:** Referring to ((Schurr & Ozanne, 1985), and (Michell, Reast, & Lynch, 1998), inexperienced trust “a willingness to depend upon a product, service, or brand based on the assumption or expectation resulting from its credibility, benevolence, and ability about its environmental performance.’ The measurement of green trust includes five items (Y. Chen & Chang, 2013): (1) I feel that this brand’s environmental commitments area unit usually reliable; (2) I feel that this brand’s environmental performance is mostly dependable; (3) I feel that this brand’s environmental argument is mostly trustworthy; (4) This brand’s environmental concern meets my expectations; and (5) This brand keeps guarantees and commitments for environmental protection.

**Green Brand Loyalty:** This research refers to (Y. S. Chen, 2013) to measure green brand loyalty. The measure of green brand loyalty includes four items: (1) I’m desperate to repurchase the brand because of its environmental performance; (2) I like shopping for the brand to alternative brands because of its environmental functionality; (3) I seldom think about switch to alternative brands because of the brand’s environmental features; (4) I shall continue getting the brand since it’s environmentally friendly.

**Green Purchase Behaviour:** This study refers to (Kim & Choi, 2005) to measure green purchase behaviour and its measurement includes three items: (1) I purchase the brand due to its environmental concern; (2) I will purchase the brand in the future due to its environmental performance; (3) Overall, I am happy to purchase the brand since it is environmentally friendly.

### 4. Results and Discussions

This section deals with various results and findings obtained from the estimation process. This study utilizes structural equation modeling (SEM) to verify the research framework and hypotheses and applies AMOS 23.0 to obtain empirical results. To evaluate the mediation hypothesis of this study we used Process Macro 3.4. SEM of this study examines the two levels of research, one is the measurement model and the second one is the structural model, and their results are shown in the following.

#### 4.1 The Results of the Measurement Model

The means, standard deviations, and correlation matrix are shown in Table 1. In Table 1, there are positive correlations among green perceived value, green trust, green brand loyalty, and green purchase intention. The factor analysis of the four constructs towards their items is shown in Table 2. All the constructs in this study can be classified into only one factor. The study refers to the prior research to design questionnaire items. Before seeking to the respondents, this study employs a pretest for the questionnaire revision. Therefore, the measurement of this study is acceptable in content validity. Besides, there are several measures to confirm the reliability and validity of the constructs. First thing is, one measure of the reliability is to examine the loadings of each constructs’ items. Concerning the quality of the measurement model, the loadings (λ) of all items of the four constructs listed in Table 2 are significant. Second thing is, Cronbach’s α is the other measure of reliability. Table 2 lists Cronbach’s α for the constructs. In general, the minimum requirement of Cronbach’s α coefficient is 0.7 (Hair, Joseph F. Black, 2014). In Table 2, the Cronbach’s α coefficient of “green perceived value” is 0.935; that of “green trust” is 0.901; that of “Green brand loyalty” is 0.974; that of “Green purchase behaviour” is 0.855. The measurement of this study is acceptable in reliability because the Cronbach’s α value of all constructs are more than 0.7.

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>A.</th>
<th>B.</th>
<th>C.</th>
<th>D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Green perceived value</td>
<td>4.128</td>
<td>0.986</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Green trust</td>
<td>3.038</td>
<td>1.352</td>
<td>186</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Green brand loyalty</td>
<td>3.841</td>
<td>1.121</td>
<td>.489</td>
<td>.206</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>D. Green purchase behaviour</td>
<td>4.056</td>
<td>0.885</td>
<td>.426</td>
<td>.233</td>
<td>.471</td>
<td>1</td>
</tr>
</tbody>
</table>

Besides, it is also important to verify whether the validity of the measurement in this study is acceptable. This study applies Fornell and Larcker’s measure of average variance extracted (AVE) to access the discriminant validity of the measurement (Fornell & Larcker, 1981)). The AVE measures the amount of variance captured by the construct through its items relative to the amount of variance due to the measuring error. To prove the requirement of the discriminant validity, the square root of a construct’s AVE must be more than the correlations between the construct and other constructs in the model. For example, the square roots of the AVEs for the two constructs, green perceived value, and Green purchase behaviour, are 0.877 and 0.818 in Table 2, which are more than the correlation, 0.426, between them in Table 1. It explains that there is adequate discriminant validity between the two constructs. The square roots of AVE of all constructs’ in Table 2 of this study are all more than the correlations among the constructs in Table 1. So, the discriminant validity of the measurement model is acceptable in this study. Besides, if the AVE of a construct is higher than 0.5, it means that there is convergent validity for the construct. As shown in Table 2, the AVEs of the four constructs are 0.770, 0.657, 0.907, and 0.669, which are all more than
0.5. It refers that the convergent validity of the measurement is acceptable. According to the above results, the reliability and validity of this study are adequate.

### Table 2: The items’ Loadings (λ) and the Constructs’ Cronbach’s α Coefficients and AVEs

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Items</th>
<th>λ</th>
<th>Cronbach’s α</th>
<th>AVE</th>
<th>The square root of AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Green Perceived value</td>
<td>GPV1</td>
<td>0.818**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GPV2</td>
<td>0.806**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GPV3</td>
<td>0.844**</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>GPV4</td>
<td>0.982**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GPV5</td>
<td>0.923**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Green trust</td>
<td>GT 1</td>
<td>0.782**</td>
<td>0.901</td>
<td></td>
<td>0.811</td>
</tr>
<tr>
<td></td>
<td>GT 2</td>
<td>0.793**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GT 3</td>
<td>0.798**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GT 4</td>
<td>0.767**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GT 5</td>
<td>0.912**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Green Brand loyalty</td>
<td>GBL1</td>
<td>0.943**</td>
<td></td>
<td></td>
<td>0.907</td>
</tr>
<tr>
<td></td>
<td>GBL2</td>
<td>0.974**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GBL3</td>
<td>0.905**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GBL4</td>
<td>0.986**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Green purchase</td>
<td>GPB1</td>
<td>.791**</td>
<td>0.855</td>
<td></td>
<td>0.669</td>
</tr>
<tr>
<td></td>
<td>GPB2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GPB3</td>
<td></td>
<td></td>
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</table>

### 4.2 The Results of the Structural Model

The results of the structural model of this study is shown in Table 4. The overall fit measures of the full model in the SEM indicates that the fit of the model is acceptable (Degree of freedom= 113, Chi-square=206.96, GFI=0.935, RMSEA=0.051, NFI=0.963, CFI=0.983). All of the paths estimated are significant, and all hypotheses are supported in this study. The residuals of the covariance are very small and center near to 0. The results of the total model during this study is shown in Table 3. All five paths estimated in this study are significant. Therefore, H1, H2, H3, H4, and H5 are all accepted in this study. This study finds out that the increase of green perceived value and green trust can not only meet the strict international environmental regulations and the popular environmentalism of consumers but also enhance Green purchase behaviour. Besides, the results figure out that Green brand loyalty which is positively related to green purchase behavior. Green perceived value and green trust are positively related to green brand loyalty.

### Table 3: The results of Structural Model

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Proposed Effect</th>
<th>Path Coefficient</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>+</td>
<td>.67</td>
<td>H1 is supported</td>
</tr>
<tr>
<td>H2</td>
<td>+</td>
<td>.14</td>
<td>H2 is supported</td>
</tr>
<tr>
<td>H3</td>
<td>+</td>
<td>.19</td>
<td>H3 is supported</td>
</tr>
<tr>
<td>H4</td>
<td>+</td>
<td>.20</td>
<td>H4 is supported</td>
</tr>
<tr>
<td>H5</td>
<td>+</td>
<td>.07</td>
<td>H5 is supported</td>
</tr>
</tbody>
</table>

### 4.3 The Results of Mediation Hypothesis

According to the results of the above mentioned hypothesis we find out that green perceived value of firms has two paths to positively influence their consumers’ green purchase behaviour. The first path is the direct influence of firms’ green perceived value on their consumers’ green purchase behaviour. The second path is the indirect influence of firms’ green perceived value on their consumers’ green purchase behaviour via their green brand loyalty. H1 and H3 are supported in this study, so the necessary conditions of green brand loyalty as a mediator between green perceived value and green purchase behaviour are satisfied based on (Kenny, 1986). Other than this, Green trust also has two paths to positively influence their consumers’ green consumer behaviour. The first path is the direct influence of firms’ green trust on their consumers’ green purchase behaviour. The second path is the indirect influence of firms’ green trust on their consumers’ green purchase behaviour via their green brand loyalty. H2 and H3 are supported in this study, so the necessary conditions of green brand loyalty as a mediator between green perceived value and green purchase behaviour are satisfied based on (Kenny, 1986). Eventually, all hypotheses, proposed in this study are supported in this research.

### 5. Conclusions

The strong need for green products in the market is changing the world, so companies are eager to adopt green marketing to compete for green opportunities. This study develops a research framework of green purchase behaviour to further discuss its relationships with green perceived value, green trust, and green brand loyalty. The empirical results show that green perceived value positively relates to both green brand loyalty and green purchase behaviour. Besides, this study indicates that green trust...
positively associated with both green brand loyalty and green purchase behaviour. Furthermore, this study finds out that the relationships between green purchase behaviour and their two determinants green perceived value and green trust are partially mediated by green brand loyalty. All hypothesis proposed during this study are supported. Therefore, finance resources within the increase of green perceived value and green trust is beneficial to boost green brand loyalty and green purchase behaviour.

Furthermore, this study finds out that the relationships between green purchase behaviour and their two determinants green perceived value and green trust are partially mediate by green brand loyalty. All hypotheses proposed during this study are supported. Therefore, finance resources within the increase of green perceived value and green trust is beneficial to boost green brand loyalty and green purchase behaviour.

There are five academic contributions to this study. First, this paper provided a research framework to explore the relationships among green perceived value, green trust, green brand loyalty, and green purchase behaviour and to further undertake an empirical test. Previous research articles studied the green purchase intention instead of green purchase behaviour. The field of green marketing would benefit from examining actual behavior instead of purchase intentions. (Groening et al., 2018). Second, this study provided an alternative theoretical lens to understand the role of green perceived value in consumer green brand relationship building through loyalty. Third, this study demonstrates that the relationships between green purchase behaviour and their two causation – green perceived value and green trust – are partially mediated by green brand loyalty. Fourth, this paper extends the research of consumer purchase behaviour and perceived value into the field of green marketing. Fifth, increasing customer trust about product greenness can help to ease value towards the brand and to raise customer loyalty for green products. The main purpose of this paper is to demonstrate the relationships between green purchase behaviour and their two preceding green perceived value and green trust and to identify the partial mediation effect of green brand loyalty.

The findings of this study offer some important managerial implications for organizations intending to implement green marketing. First, this study identifies the mediating role of green brand loyalty towards green perceived value and green purchase behaviour. Thus organization should use different communication strategies to create customer-based green value as perceived by consumers and companies would like to enhance their green purchase behaviour for their products, they should combine the concepts of green perceived value, green trust, and green brand loyalty into their long-term environmental strategies in the stage of strategy-planning. Second, in a more sophisticated marketing context, it is worth educating experienced retailers as an effectiveness and prestige information channel between consumers and manufacturers to increase green perceived value and green trust to raise green purchase behaviour. Third, companies need to enhance the green brand loyalty of the customers towards the product. Because there exists a significant mediation effect of green brand loyalty in this study, companies can build up green brand loyalty from their customers to increase the extent of the positive relationship between green perceived value and green trust towards green purchase behaviour.

There are three research limitations in the study. First, this study concentrates on the purchase experience of cosmetic products. Future research can focus on the purchase experience of other products and compare with this study. Second, this study concentrates on Indian consumers. Future research can focus on other consumers in other countries and compare them with this study. Third, this study verifies the hypotheses employing a questionnaire survey that only provides cross-sectional data so that this study cannot observe the dynamic change of green perceived value, green trust, green brand loyalty and green purchase behaviour in the different stages through longitudinal data. Therefore, future research can set forth toward the longitudinal study to find out the differences of green perceived value, green perceived risk, green trust, and green purchase behaviour in the different stages. This study expects that the research results are useful to managers, researchers, practitioners, and policymakers, and contribute to future research as reference.

6. References


