

THE ROLE OF GREEN ADVERTISEMENTS IN GREEN PURCHASE INTENTION

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Abstract

The present study investigates the role of green advertisements in green purchase intention. One of the business domains which have attracted a lot of discussions on environmental issues is green marketing. Green means the least damage towards the environment. This research is a descriptive-correlational one. The statistical population includes the diploma and bachelor students of Azad University of Khuzestan Province (Abadan Branch) in 2013-2014, and among them 290 individuals were selected using applying Morgan chart as the sample with simple random method. In this study the effect of 6 variables on the green purchase intention was investigated which can be said that customer's believability, dependency, media, customers' attitude, presented information, and understanding the environmental behavior all affect the customer's green purchase directly and significantly.

Keywords: *green advertisements, green purchase intention, green marketing.*

Introduction

Once, it was imagined that organizations and producers are only responsible for shareholders and employees, or they should deliver the product with the lowest price and highest quality to customer, without noticing the impacts and consequences a product may have. Intense competition, population increasing and the lack of resources, and environmental pollution cause the creation of new approaches in organizations and managers that commitment and responsibility are the outcome of those developments. In fact, it can be said that proposing this responsibility was a response to the needs and environmental challenges. Graham and Ketra (2002) believe that supporting the external environmental is not optional, but is an important part of the business. Social responsibility of the company is totally concerned with the customer and even the environmental problems or the long-term prosperity of the customer is the matter of concern. Social responsibility is a method of management by which the organizations do the things having positive effect on the society and the promotion of general products (Salmon & Stewart, 1997).

Review of the literature

Green marketing, sustainable marketing

It seems that, these days any product has an especial social reason. Presently, marketing based on social and environmental considerations is one of the most important activities by companies. From the beginning of the 1980s, marketing base on the social and environmental considerations has been popular (Cutler & Armstrong, 1999). One of the

business domains which has attracted a great deal of discussions in press is green marketing. It seems that all of the consumers have been more conscious and concern about the environment both individually and industrially. In a research conducted by Atman (1992) in 16 countries, more than 50% of the consumers in each country stated that they have been concerned about and interested in environment. Also, the results of a study done in Australia in 1994 showed that 84% of individuals believed in their responsibility towards the environment. These people stated that their behavior, which includes purchasing, has been changed because of the environmental issues (Polanski, 2001). Green marketing which is called sustainable marketing too, is an interesting process which retailers have also started trying it in developing countries. Kateb and Hellson state that green marketing enhances the government programs (2). Bavi and Seal believe that the social values like other elements of the marketing environment change over time. Thus, in order to assure the success marketers and their products should change with society. Through a research implemented in America (1989) it was shown that 49% of the respondents have changed the purchase because of the environmental issues (Bavi & Seal, 1992). Also, the studies of statistics office of Australia on 16000 people show that 75% are concerned about the environmental issues (Backer, 1996). Environmental surviving has caused consumers' rethinking about the products they buy. Nowadays, a lot of consumers are prepared for real environmental support to pay more for the products which consider the environmental standards (Cutler & Armstrong, 1999). The results and statistics indicate that the environmental and surviving environmental issues are one of the most important criteria considered by the consumers during purchasing. Accordingly, these issues have caused the environmental views entered into the marketing concepts and a new approach called green marketing to be a subset of social responsibility. Firstly, the issues relevant to the social responsibility are stated, and then the green marketing concept and relevant issues are discussed.

Green marketing levels

It is possible that managers ask themselves how to achieve the consumers and organizational goals, while being responsible for the environment. In green marketing, the environmental issues are among the superior strategies and need a lot of strategic actions. Menon (1997) stated that the green marketing actions are implemented in three levels which are strategy, sub-strategic, and tactic. At the strategic level the basic changes are occurred at the company's philosophy level. For strategy to be green the change in mind, behavior, and the company's tactics are required (Polanski & Rosenberg, 2001). Being green at the level of sub-strategic results in changes in the company's approaches and in being green tactically occurs at the operational activities like changing in promotion and advertisements. These three levels can be applied to identify the rate of the change an organization needs to impose and it can show the rate of commitment towards the environmental activities. The strategic environmental activities require the financial long-term investment in a part in which the company is active. In case of effective implementation of being green strategically it is hardly possible to be viewed superficially. In different levels of being green it should be specified that what activities need to be exactly done. Being strategically green can effectively affect other in a region and it is also possible that in other regions does not affect as well. However, being strategically is not strategically necessary, it is involved in all of the marketing activities and is a strategic part of the production section.

Mixed green marketing

Each company has its own specific mixed green marketing. 4p green marketing is the same mixed marketing, but the marketers' challenge is the creative application of 4p.

1. **Green product:** ecological goals in the products' designing result in the consumption and pollution decreasing and increasing the scarce resources survival (Kellerman, 1987). The green product contributes to the conservation and improvement of the natural environment or the energy and resources, and decreasing or eliminating the use of toxic materials, pollution, and wastages. In other words, the green product is a product with less harm to the environment and is gained by repayment, reconstruction, reproduction, and reusing, recycling, and decreasing methods.
2. **Green price:** price is a key and important factor of the mixed green marketing. Most of the consumers are ready to pay the higher price if the added value is understood. This value may be its function improvement, efficiency, designing, visual attraction or its taste, or even because of other features of green product including the longer life and being harmless. However, noticing this fact is necessary that the green price should be reasonable and competitive.
3. **Green promotion and advertisement:** green promotion means the transfer of real environmental information to the consumers who are associated with the company's activities. Also, it is the companies' remarking of their commitment to protect the natural resources in order to attract the target market. The company should develop an integral relationships approach which includes the aspects of "company's specials" and "product's specials" about the environmental issues and social responsibility. The applied strategies and mottos by the company should be according to the correct research and information. Information should be transmitted to the customer's and other beneficiaries integrally and continuously, and the companies should cautious and aware of any mottoes or association which can be viewed as exaggerating. Consumers, pressure groups, and media are the important audiences. If the mottos are inappropriate or not investigated, the advertisements will have negative and reverse results. The advertisements which are ambitious and ambiguous or those do not have the synergy with the product and the company may be in risk of destroying the customers' conceptions. Green distribution covers two aspects, the internal and external aspects. Internal aspect is the interior environment of the company which in addition to considering the environmental issues in internal activities in the company and the fitness between the internal space decoration and the target product should be a place in which the managers and employees feel peace. Consequently, the customers are being attracted because of the employees' good behavior and its pleasant space. The external aspect points to the supplement locations which have the least damage to the environment. The reverse procurements also (based on the systems to help the recycling) can be noticed under the subject of green distribution. Regarding the reverse procurement, considering the following issues is important for the companies:

Identifying: tracing the goods through the process of reverse procurement

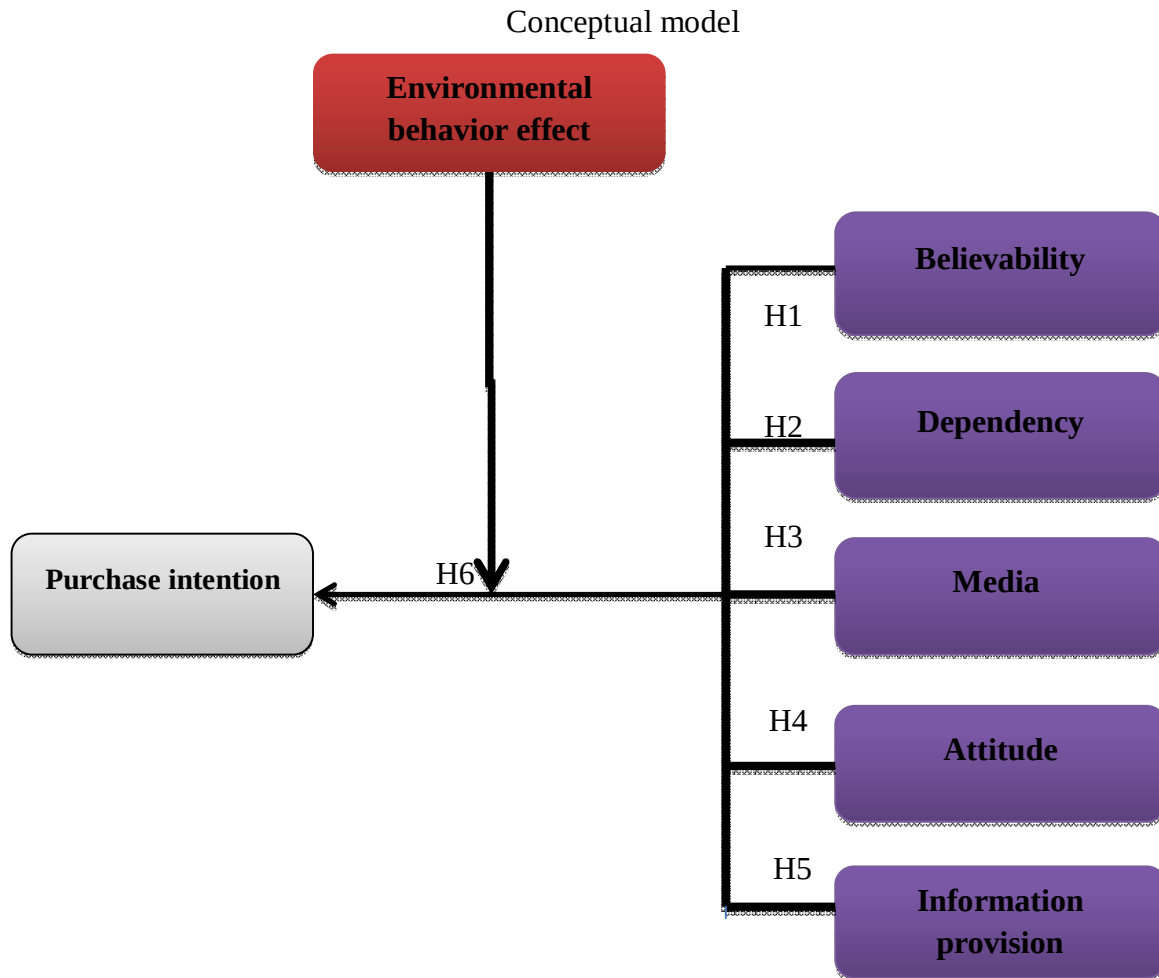
Recycling: collecting the goods in order to processing them again

Reviewing: examining the materials to see if they can reach to the processing standards, decomposed into segments, or should be discarded.

Recreating: reproducing the product according to its primary standards or separating the appropriate segments to reuse them.

Eliminating: eliminating the materials which are not potentially reproducible, and selling the reproduced goods to current or new customers.

Re-engineering: evaluating the existed goods to design better.



Research methodology

Concerning the research main objective of the present study which is investigating the factors in environmental advertisements affecting the green purchase intention, the research methodology of this study is a descriptive-survey and based on the objective it is an applied one. the method of the data collection includes the library and document studies (through the note taking instruments from the data bases of the World Wide Web, books, and Persian or Latin papers), and field studies (through questionnaire). The research is conducted based on the questionnaire as the instrument and its hypotheses are tested. Accordingly, the statistical population includes the diploma and bachelor students of Business Management from Azad University of Khuzestan Province (Abadan Branch) in 2013-2014. The number of these students is equal to 1067. To calculate the sample content Morgan chart was applied. In this chart at the certainty level of 95% for a population with 1100 members the number of the sample is equal to 285. For more accuracy a number of 300 questionnaires were distributed and 290 of them were completed and after removing those ones not completed correctly 286 questionnaires were selected finally to investigate the research hypotheses. Also, the statistical sample was selected with simple random available sampling. In order to find the questionnaire reliability the Cronbach's Alpha Coefficient was applied for each variable individually as the following table:

Table 1: variables cronbach's alpha coefficient

	Variable	Type of variable	Alpha
1	Purchase intention	dependent	0.7011
2	Customer's believability	Independent	0.7368
3	Dependency	Independent	0.7181
4	Media	Independent	0.7179
5	Attitude	Independent	0.7176
6	Presented information	Independent	0.8165
7	Environmental behavior understanding	Moderator	0.7224

Hypotheses

First hypothesis: the customer's believability about the green advertisements increases the green purchase intention.

Second hypothesis: positive attitude towards the green advertisements increases the green purchase intention.

Third hypothesis: media in green advertisements increases the green purchase intention.

Fourth hypothesis: presented information in green advertisements increases the green purchase intention.

Fifth hypothesis: dependency (relationship) in green advertisements increases the green purchase intention.

Sixth hypothesis: understanding the effect of environmental behavior modifies the relationship between the attitudes towards the advertisements, presented information in the advertisements, customer's believability about the advertisements, dependency, and media with the green purchase intention.

Descriptive analysis of the research variables

Table 2: variables' descriptive analysis

Variable	Mean	Median	Mode	Standard deviation	Skewness	Elongation
Intention	3.98	4	4	0.55	-0.48	0.54
Believability	3.36	3.42	3.33	0.44	-0.32	1.07
dependency	2.08	2	2	0.66	-0.035	-0.84
Media	3.88	4	4	0.58	-0.47	0.38
Attitude	3.91	4	4	0.50	-0.43	0.55
information	4.11	4	4	0.58	-1.04	3.79
Understanding	4.12	4.12	4.14	0.44	-0.37	0.85

About the skewness statistic, as it is seen, all of the 7 investigated variables have the left skewness. The rate of the observed skewness for the presented information in advertisements is -1.04, since this variable is more than the cutoff point, the symmetry of these variables' distribution is doubtful. The elongation index also shows that except for the dependency variable ($K = -0.84$), other variables have less dispersal (Azar & Mo'meni, 2007).

Hypotheses testing

Table 3 illustrates the simple correlation between each variable. Through this table, the H_0 is the hypothesis of lack of any relationships between two variables and the opposite hypothesis specify the relationship between these variables:

$$\begin{cases} H_0 : \rho = 0 \\ H_1 : \rho \neq 0 \end{cases}$$

If, regarding the observed R , the amount of sig is less than 0.01 or 0.05, the H_0 is rejected at the error level of one percent and five percent, respectively. As it is seen in this table, there is a significant relationship between the purchase intention and the customer's believability towards the advertisement at the error level of one percent ($R=0.218$, $p<0.01$). Accordingly, in the first hypothesis, the observed relationship is positive.

There is a significant relationship between the purchase intention and the attitude at the error level of one percent ($R=0.486$, $p<0.01$). Thus, in the second hypothesis, the positive relationship was observed.

There is a significant relationship between the purchase intention and media at the error level of one percent ($R=0.404$, $p<0.01$). Accordingly, in the third hypothesis the observed relationship is a positive relationship.

Also, there is a significant relationship between the purchase intention and the presented information at the error level of one percent ($R=0.182$, $p<0.01$). Therefore, in the fourth hypothesis the observed relationship is a positive relationship.

There is not a significant relationship between the dependency and purchase intention at the error level of five percent ($R=-0.095$, $p>0.05$). Thus, in the fifth hypothesis there is not a positive relationship.

To investigate the sixth hypothesis, regarding the table 7-4, there is a significant relationship between the purchase intention of the green products and understanding the effect of environmental behavior at the error level of one percent ($R=0.37$, $P<0.01$), and this relationship is positive.

As it is seen, all of the observed significant relationships have a positive relationship with the purchase intention. Regarding the calculated determining coefficients, the highest power of relationship is about the attitude towards the advertisements and the purchase intention ($R^2=0.236$).

Table 3: simple correlation between variables

Purchase intention	R	n	Sig	R²
Believability	0.218	286	0.000	0.048
Dependency	-0.095	286	0.107	0.009
Media	0.404	286	0.000	0.163
Attitude	0.486	286	0.000	0.236
Presented information	0.182	286	0.002	0.033
Environmental behavior effect understanding	0.37	286	0.000	0.137

In testing the third hypothesis about the media, regarding the questionnaire's statements which are in form of visual, written, and environmental advertisement, have been separately investigated in this form (customers accept visual media (TV) and environmental advertisements more than the audio media (Press)) that firstly, the statements 1, 2, 3, and 6 related to the television environmental advertisements, and statements 4 and 5 related to the press advertisements were used for students grouping. To investigate this hypothesis the multiple linear-regressions was used in step-by-step method.

Discussion and conclusion

It should be noted that variables like media, attitude, and understanding have relationship with the purchase intention at the presence of other variables and these variables' coefficients should be positive. That is, with keeping other variables fixed; if one of these variables is increased, there will be the same amount of increasing in purchase intention variable. Also, regarding the standardized beta, attitude towards the advertisements, understanding the effect of environmental behavior, and media are effective on purchase intention, respectively.

Finally, it is suggested to:

- 1- Provide the green advertisements closer to the reality to create more positive attitude in customers towards the green advertisements and products.
- 2- Prepare the advertisements to show the results of using the green product and its effect on the environment.

- 3- Display the green advertisements more on TV and environment because they are more attended.
- 4- Hold the seminars with the subject of green advertisements and products and make people more familiar with these products.
- 5- Display the roundtables in visual media (TV) with the subjects of environment, green product, green advertisements, and so forth.
- 6- Note the obtained results from the approximate mean 4 from 5, a great tendency towards the green purchase has been observed which the producers are recommended to progress towards the green products production, and marketers find more tendencies towards the green marketing because Iranian people have more tendencies towards the green purchase of green products.
- 7- Note the fact that a great tendency towards the green purchase has been observed. Accordingly, it can be understood that Iranian people are worried about their environment.
- 8- Note the obtained results to have a new look on the Iranian market and understand the fact that green products have been noted by a lot of people. So, try to expose these kinds of products and know the way of advertising.
- 9- Note that Iranian customers are realistic ones, accordingly, advertisements producers should apply the maximum amount of information and knowledge at the time of policy making on the green advertisements strategies.

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