

# CSR activities, greenmarket awareness, attitude and Green WOM effects on Green Purchase Intentions, A study of FMGC in Karachi, Pakistan

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## Abstract—

**Purpose** – The purpose of this paper to the study consumer's 'green purchase intentions', the relationship between the variable firm's corporate social responsibility (CSR), green market attitude and green market awareness and green WOM (word of mouth).

**Methodology** – A questionnaire was used to randomly collect data from 395 residences in Karachi, Pakistan. The data collected was analyzed using SPSS software.

**Finding** – The results analysis showed that firms corporate social responsibility, green market attitude and green market awareness influence consumer's green purchase decisions, however, green word of mouth does not affect consumer's green purchase decisions.

**Research implications** – Due to the current environmental situations there is a need to start producing and selling green products. This research will help managers form strategies to sell and market their green products.

**Keywords**— Green purchase intentions, Corporate social responsibility, Green market awareness, Green market attitude, Green word of mouth, Green Marketing, Environmental friendly marketing

## 1 INTRODUCTION

Marketing environmental friendly green products require a slight different marketing approach as compared to normal marketing (Groening, Sarkis & Zuh, 2017). The effects of global climate change can be seen and to provide products that are environmental friendly has become vital for the betterment of our future generations. Studies show that due to the green house effects the polar ice sheets are melting faster than was predicted (Morello, 2011) and due to these reasons green marketing is a topic that is being vastly studied and researched on (Groening et al., 2017). One of the definitions of green marketing is "the effort by a company to design, promote, price and distribute products in a manner which promotes environmental protection" (Polonsky, 2011). With the current serious environmental and energy problems the world is facing the need for green marketing and consumptions is becoming more important, both for companies and consumers (Zhang, Li, Cao & Huang, 2018). Companies are now more focused on producing goods that not only fill consumer's satisfaction but are also more friendly to the environment (Yang, Wang, 2014). Green marketing it seems is gaining much popularity in the US and consumers are now more driven than ever before on buying products that are environmental friendly (Yang, Wang, 2014). Studies are being carried out on green market mix, green

branding and developing other such green marketing constructs, however the actual prospection of the consumer's and how likely they are to purchase a green marketed product are still not clearly known (Yang, Wang, 2014; Zhang, Li, Cao, Huang, 2018).

### 1.2 Background

The evolution of green marketing began from the 70's with the "ecological age", with the second age being "environmental green marketing" and the current age of "hitting the green wall" (Ken, 2011). Green marketing was defined by Fuller (2000) as the process that plans, implements and controls development, promotion, pricing and logistics distribution of products in a way that (1) Meet customer's needs, (2) Meet organizational goals and (3) is eco-system friendly. The importance of green marketing cannot be denied, but there is little hope for green marketing if the consumer's don't understand the importance of green marketing (Ken, 2011).

The study will use the theory of planned behavior (Ajzen 1985, 1991, 2005) which links attitude towards a behavior, social pressures to perform a certain task and easy of performing a task to behavioral intentions. Attitude towards green marketing, how aware customers are of green marketing and Green WOM (Word of mouth) should therefore lead to them purchasing green marketed products.

A firm's Corporate Social Responsibility (CSR) activity gives social value to its customer's and project's an image that the firm is responsible, when that firm claims to also be environmental friendly (even if it's green marketing does not

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match with its CSR activities) customers believe such firms and are therefore likely to purchase their green products (Norazah et. al. 2016).

Consumers who are aware of green marketing labels are more likely to purchase green market products (Norazah, Norbayah & Nur, 2016). Studies have also shown that a customer's attitude influence their purchase intentions (Sargam, Tulika, 2018). WOM (communication between consumers of a product) has also been proven to effect customer's purchase intentions (Zhang et al., 2018). CSR is also known to positively impact consumers purchase intentions (Norazah et al., 2016).

According to the Global Climate Risk Index report, 2018 countries that are most affected in the long term climate change risk index, Pakistan made it to the 7th rank. Furthermore, Pakistan economic survey of 2014-15 reported Pakistan to be highly effected by climate change. In order to create awareness and to lessen the effects of these climate changes it is important that Eco-friendly product markets be developed. The term "Green marketing" is used for marketing activities that attempt to reduce pollution expects in the environment and society (Peattie, 2001). In this era where environmental concerns are at their high, marketer's introduction of environmental friendly products and Green marketing is just what is needed (Sargam & Tulika, 2018). In order to understand that marketing side of the eco-friendly marketing in Karachi, Pakistan I would like to carry out a study that measure, how firm's CSR activities, how aware customers are of green marketing, what their attitude is towards green marketing and how green marketing WOM can all affect Green-purchase intentions

Studies outside Pakistan have shown that consumers have grown a keen liking to purchase environment friendly products (Zhang et al., 2018). However, there is still little research available on customer's green-purchase intentions, how likely they are to buy environmentally friendly products and services (Zhang et. al, 2018). Since Pakistan's city of lights Karachi has witness major garbage outbreaks (Azam, 2017; Paracha, 2017) therefore to study consumer's purchase intentions of products that will be more environmental friendly is vital.

Studies have shown the gap that further research on green marketing needs to be done to examine the effects of cultural differences on green marketing (Suki, Suki, Azman, 2016). Furthermore, green marketing studies related to consumer green-purchase intentions have been missing in Asian countries (Suki et al. 2016; Denni, Lay, Fandy & Lin, 2018 ). Researches are done in certain environmental that are different from our culture and environment and therefore those researches may not apply to our cultural settings (Yang, Wang, 2014). Research for green marketing environmental friendly products in a country like Pakistan, and especially in a major city like Karachi is very important for the environment, the people and businesses that wish to meet international environmental friendly competitions. Latest international trends show that companies are now more focused on producing goods and services that are environmental friendly and also fill consumer's needs (Arli et. Al, 2017).

The variables that was have selected for the study have been obtained from three different research papers and

aligned in a way that will make it easy for me to conclude the green-purchase intentions of Karachaties. This study will prove to be an important part of product development and marketing of eco-friends goods, as the study will provide insights to consumer buying behavior of such goods.

## 2 LITRATURE REVIEW

### 2.1 Introduction

Firms have now developed a responsibility to pay attention to environmental friendliness, because of the grown trends of green marketing and their need in the current era (Chen, Huang, Wang & Chen, 2018). Due to the current global warming and environmental changes consumers are also becoming more aware and concerned about the environment and desires have risen of consumer's to purchase green products (Chen, 2008).

Green purchase intentions develop from consumer's desire to buy the product is based on country of manufacturing and features of the product (Suki et al. 2016). Green purchase behavior involves a consumer's purchase of a product or brand based on how the product or brand is influencing the environment (Chen et al., 2018). Green purchase intentions decisions are based on eco-labeling, appearance, and assurance of environmental friendly effects of the product (Suki et al., 2016). Hence when firms reveal the truth of their green products then this in result translates to consumer's green purchase intentions (Chen et al., 2018).

Studies have evaluated 17,000 customers from a range of seventeen different countries with results that show customers are generally concerned for the environment and this has an effect of their green purchase intentions (Huang, Yang & Wang, 2014). With the use of the Theory of planned behavior (Ajzen, 1985, 1991, 2005) that is a more refined version of Theory of reasoned action (Fishbein & Ajzen 1975); this study has linked attitude towards a behaviors, to behavior intentions just as the theories have suggested. Based on the Theory of Planned Behavior efforts have been made to examine the gap between a consumer's attitude and their behavior for the factors of green marketing (Aril et. al, 2018). Prior customers decision making theories have been based on six factors that suggest are helpful to a person who is going to make a decision namely; their beliefs, their knowledge and values, their attitude, their overall intentions, social acceptance and motivation (Groening, Sarkis & Zhu, 2017). Theories of reasoned action (Fishbein & Ajzen, 1975) and theory of planned behavior (Ajzen, 19885, 1991, 2005) have suggested that a person's intention to do has the greatest effect on their behavior (Aril et. al, 2018). As per a research done in Taiwan in 2014, it has been suggested that attitude and awareness towards green marketing, effects consumer's purchase behavior (Huang et al., 2014). Furthermore, it is suggested that socially accepted behavior, or behavior which is considered to be ethical can effect green purchase intentions (Aril et, al, 2018).

Descriptive theories suggest that values, result in beliefs, that make up a person's attitude and has an effect on their behavior and action (Groening, 2017). Therefore, in the light of the theories it is safe to conclude that a firms CSR activities,

and consumer's green market awareness, attitude and WOM has impact on green purchase intentions. This study will use the theory of planned behavior (Ajzen 1985, 1991, 2005) which links attitude towards a behavior, social pressures to perform a certain task and easy of performing a task to behavioral intentions. Attitude towards green marketing, how aware customers are of green marketing and Green WOM (Word of mouth) should therefore lead to them purchasing green marketed products. Also firms CSR activities can act as a social pressure for people to perform certain tasks and therefore CSR activities will also be included in the study. CSR projects a positive image of the firm, and further more when people who view that positive projected image find out the firm is selling environmental friendly products, are more likely to make green purchases, therefore the significance of CSR on Green purchase intentions need to studied and cannot be over looked.

## 2.2 Corporate Social Responsibility (CSR)

Corporate social responsibility (CSR) is in a "pre-paradigmatic phase where there is scant agreement on definitions and terms and no consensus has been reached about what it includes and does not include in its boundaries" (Googins et al., 2007). Firms that do CSR activities which are friendly to the environment project an image that the firm is responsible, this in return projects a positive image of the firm and the business as being socially responsible and environmental friendly (Suki et al., 2016). These CSR activities impact consumer's perceptions and increase their green purchase intentions (Suki et al., 2016). Companies CSR activities have a very strong link with consumer's green purchase intentions (Suki et al. (b), 2018). It can therefore be said that firms that project an image as being responsible and environmental friendly have a positive perception. Customers are likely to buy green products from firms who do CSR activities as compared to firms who do not do CSR activities. Hence it can be said that CSR activities has a relationship with consumer's green purchase intentions as they are more likely to make green purchases from a firm who is known to do CSR activities.

H01: Cooperate Social Responsibility is negatively related to green-purchase intentions

H1: Cooperate Social Responsibility is positively related to green-purchase intentions

## 2.3 Green Marketing Awareness

Green market awareness is when customers have knowledge about the eco-brand and eco-labels, green brand awareness translates to green purchase intentions (Suki et al., 2016). Green market awareness is based on how environmental friendly the consumer's thinks a product and brand is (Chan et. al, 2012). Green marketing awareness is related to how companies understand the importance of doing good for the environment while meeting their customer's needs (Suki et al.,2016). Green market awareness is known to be the key that drives consumer's green purchase intentions (Boztepe, 2012). The reason consumer's select green products are based on how "green" and environmental friendly they think the product is and how aware they are of the environmental changes that the

world is facing. Researches have noticed that if the green marketing fails and green awareness is not created then consumer's green purchase intentions also decrease (Suki et al., 2016). Therefore it can be safely said that green awareness leads to green purchase intentions. Customers who are aware of green products and brands are more likely to make green purchases. The relationship between green purchase intentions and green awareness is quite clear.

H02: Green market awareness is negatively related to green-purchase intentions

H2: Green market awareness is positively related to green-purchase intentions

## 2.4 Green Marketing Attitude

A strong environmental friendly attitude is known to increase green purchase intentions (Chen et al., 2018). Green marketing attitude needs to be studied in developing countries like India (Singh & Kaur, 2016). Attitude is perception that translates to behavior (Ajzen, 2005). If a company has a positive brand image then consumer's attitude are also positive and these attitudes translate to green purchase intentions (Zhang et al., 2018). Therefore, positive green attitudes are related to green purchase intentions.

H03: Attitude towards green market is negatively related to green-purchase intentions

H3: Attitude towards green market is positively related to green-purchase intentions.

## 2.5 Green Word-Of-Mouth

Word of mouth is the communication between people, especially customers and positive or negative messages about the products and brand can influence customer's purchase intentions (Chen et al., 2014). WOM has a direct link to the decisions made by consumer's, because people tend to buy products that have a positive WOM (Chen et al., 2014). Green word of mouth is when consumer's inform others in their social surrounds of the about the environmental friendly positive effects of a brand or product (Zhang et al., 2018). Past researches have clearly shown that WOM effects sales (Chen et al., 2014), which means that WOM effects purchase intentions. When WOM is extended to the environment then it becomes Green-WOM just like when purchase intentions are linked to environmental then they become green purchase intentions (Zhang et al., 2018). When a company proves to be environmental friendly then positive green WOM is spread about them, and customers are likely to make green purchases from that firm (Zhang et al., 2018).

H04: Green word-of-mouth is negatively related to green-purchase intentions

H4: Green word-of-mouth is positively related to green-purchase intentions.

## 2.6 Green Purchase Intentions

Five factors effect green purchase intentions namely; conscious about the environmental effect of the product, conscious about what personal effect one has on the environment, wanting to link purchase with environmental concerns, worried about waste, willing to protect the environment and a want to take actions that are environmental friendly (Haws et



al., 2010). Green purchase intentions develop from consumer's desire to buy the product is based on country of manufacturing and features of the product. Green purchase intentions decisions are based on eco-labeling, appearance, and assurance of environmental friendly effects of the product. Marketer's develop consumer's perceptions in order to evoke them into purchasing the green products. Consumer's tend to mix green market awareness, attitude, green brand awareness while purchasing green products (Suki et. al, 2016). Green purchase intentions are based on customer's want, thought and possibility to purchase a product (Huang et al., 2013). Green purchase intentions are the willingness of customer's to buy environmental friendly products after being aware that the products are environmental friendly (Oliver & Lee, 2010). Studies have shown that positive attitude towards green products, as well as awareness and WOM have a positive effect on green purchase intentions (Huang et al., 2013)..

## 2.7 Summary

Studies have shown the gap that further research on green marketing needs to be done to examine the effects of cultural differences on green marketing (Suki, Suki, Azman, 2016). Furthermore, green marketing studies related to consumer green-purchase intentions have been missing in Asian countries (Suki et al. 2016; Denni, Lay, Fandy & Lin, 2018 ). Researches are done in certain environmental that are different from our culture and environment and therefore those researches may not apply to our cultural settings (Yang, Wang,2014). Research for green marketing environmental friendly products in a country like Pakistan, and especially in a major city like Karachi is very important for the environment.

The variables that I have selected for the study have been obtained from three different research papers and aligned in a way that will make it easy for me to conclude the green-purchase intentions of Karachaties. This study will prove to be an important part of product development and marketing of eco-friends goods, as the study will provide insights to consumer buying behavior of such goods.

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The main gaps observed in the literature include; the variable Green-WOM has not been studied. There is a lot of scope for green marketing related research to be carried out in Pakistan, and Karachi is one of the mega cities in Pakistan. Green purchase intentions need to be understood in order to make environmental friendly products more available here in Pakistan. Furthermore, literature has shown that the attitude behavior gap needs to be studied for customers green purchase behavior.

## 3 METHODOLOGY

There is a need to understand green purchasing behavior at this point in time due to the scientific advancements and the increase in consumer's awareness and their growing concerns of the environmental crisis the world is facing (Groening, Sarkis & Zhu, 2017). The variables of this study are selected and designed to get a better understanding of customer's green purchase intentions in Karachi Pakistan.

Sociology has proven from research that awareness leads to attitude that leads to behavior, while other studies prove that green marketing attitude leads to green purchase intentions (Huang et al., 2013). Facts and information related to the environmental CSR activities of a firm and information about the green products all help consumer make effective green purchase decisions (Bahl & Chandra, 2018). Firms CSR activities, their green branding all work towards gaining customer's trust and creating their differentiations that can convince customers to purchase their green marketed products (Huang et al., 2013). Firms green marketing strategies, i.e, their green CSR activities effect consumer's green purchase intentions (Bahl & Chandra, 2018). Effective green marketing creates green awareness between customers, effecting their green attitude and green WOM and this in turn leads to their green purchase intentions (Huang et al., 2013). Research has proven that green advertisements lead to consumer's green purchase intentions (Bahl & Chandra, 2018) but there are other factors that also effect green purchase behaviors and those factors need to be studied. Awareness of the environmental crisis the world is currently facing has an impact on consumer's green purchase attitudes, a study done by national geography and GlobeScan in 18 counties proved that attitude, awareness, beliefs all effect decision making and consumers who believe that environmental crisis are an emerging issue that needs to

be addressed are very likely to make green purchase (Bahl & Chandra, 2018). The question remains however is if Pakistani consumers in Karachi are aware of environmental issues and of their environmental friendly attitude helps them make green purchases or not.

The questions that were selected to measure each of the variables were selected from past studies to ensure content validity.

### 3.1 Population Size

As per a survey done by the world population review, Karachi is the most populated of Pakistan's city with a population estimate of 23 millions. Hence from this it is concluded that our target population is that of the whole of Karachi.

### 3.2 Sampling approach

The paper used non-probability sampling approach, convenience sampling as it was short on time and resources.

### 3.3 Sample Size

The total population size is 23 million as per the world population review. A margin error of 5% was used with confidence level of 95% and response distribution of 50%. More over this resulted in the sample size being 385 people therefore the study used a sample size of 400 people to overcome error.

A 5-point numeric Likert scale was used to measure each variable, which measured 1 as strongly disagreed and 5 as strongly agreed (Suki et al., 2016).

### 3.4 Statistical Model

A conceptual model for the developed hypothesis used the following equation:

Green Purchase Intentions =  $\beta_1$  +  $\beta_2$  Corporate Social Responsibility of firm +  $\beta_3$  Green market awareness +  $\beta_4$  Attitude towards Green marketing +  $\beta_5$  Green word of mouth +  $\mu$

The parameters  $\beta_0$ ,  $\beta_1$ ,  $\beta_2$ ,..... are called regression coefficients.  $\mu$  stands for the error that might occur.

### 3.5 Regression Analysis:

Regression analysis is allows for the examination of the relationship between two or more variables, the core use of the regression analysis is to determine the influence of the independent variable on the depended variable. Instead of simple regression multiple regression analysis is suitable for our research. Multiple regression analysis is suitable for those studies which consist on more than 1 independent variable to explain variance in dependent variable.

R<sup>2</sup> will also be measured to determine the coefficient of the multiple regression and measure how close the data collected fits into the regression line.

Skewness and Kutosis will be used to measure the asymmetry of the data with regards to its mean. If the data collected is symmetric it will look the same on both sides of the skewness graph, and heave-tailed or light-tailed analysis of the data will be measured using Kutosis.

Mean of the data collected will be measured. Then standard deviation will be measured keeping in mind that the tighter the data the smaller the standard deviation. The standard deviation is the square root of the variance that avoids negative values below the mean,

### 3.6 Reliability Analysis

Through reliability analysis we found consistency and sta-

bility of measures, projecting the constructs measured are equivalent in outcome. Reliability coefficient is cronbach alpha (Sekaran & Bougie, 2014). It indicates how positively one variable relate to another variable (Sekaran & Bougie, 2014). If cronbach alpha equal to 1, it shows that consistency of reliability is higher (Seakaran & Bougie, 2014). Moreover if reliability is less than 0.6 it is poor. If reliability lies between 0.6 - 0.7 it is acceptable. Reliability above 0.8 is considered as good (Sekaran & Bougie, 2014).

## 4 RESULTS

### 4.1 Introduction

Like every research paper the process of data analysis with the step on statistical tool is done. This chapter will analysis the data and come to a conclusion of weather the null research hypothesis were accepted or rejected. The descriptive statistical analysis, the regression model, the correlation between variables, will be done in order to analyse and draw meaning out of the data collected and this will lead to the conclusion of the study.

The tool that is used to analyze the data is SPSS version 20. SPSS is used to various statistical analyses and can draw graph, generate reports etc. The data was collected from 395 respondents in Karachi Pakistan using random snowball sampling means.

### 4.2 Descriptive Statistics

The descriptive analysis summarizes the data. However it cannot prove or disprove the research hypothesis. With the help of the descriptive statistical analysis the simply show of the data distribution can be determined. These statistics will help in measuring the central tendency with the help of the mean. The spread of the data set is shown by the standard deviation. Standard deviation is used when only a sample of the total population was used to collect the data but the study needs to be generalized to the whole population. Skewness is a measure of the two sides of the graph and how evenly the data collected is laid out on the graph. The Kurtosis is the flatness of the results, a perfectly distributed results has a kurtosis that is equal to three.

**Descriptive Statistics**

|                    | N         | Mean      | Std. Deviation | Variance  | Skewness  | Kurtosis |           |       |      |
|--------------------|-----------|-----------|----------------|-----------|-----------|----------|-----------|-------|------|
|                    | Statistic | Statistic | Error          | Statistic | Statistic | Error    | Statistic | Error |      |
| Purchase intension | 395       | 2.28      | .040           | .800      | .640      | .826     | .123      | .821  | .245 |
| CSR                | 395       | 2.3304    | .04708         | .93577    | .876      | .621     | .123      | -.183 | .245 |
| Awareness          | 395       | 2.34      | .045           | .887      | .786      | .702     | .123      | .208  | .245 |
| Attitude           | 395       | 2.236     | .0456          | .905      | .820      | .828     | .123      | .227  | .245 |
| Green WOM          | 395       | 2.2437    | .04580         | .91030    | .829      | .794     | .123      | .125  | .245 |
| Valid N (listwise) | 395       |           |                |           |           |          |           |       |      |

Table 4.1

The standard deviation values show that since all of the standard deviation values lie within 0.8 and 0.93 therefore the data is well distributed around the mean.

The acceptable distribution for Skewness is 1.5 when the sample size is greater than 200. However the normal Skewness is 0.0. Since all the variable results fall between 0.0 and 1.5 therefore the data has acceptable Skewness. The Kurtosis values show that the data is moderately kurtosis since the value of kurtosis is close to the value of the Skewness.

**4.3 Correlation Analysis**

Pearson Correlations are between the range of -1 and +1, indicating how related two variables are to each other. The correlation coefficient show the strength and a two tailed correlation matrix shows the direction of the relationship between two variables.

**Correlations**

|                    |                     | Purchase intension | CS R   | Awar eness | At- titude | Green WOM |
|--------------------|---------------------|--------------------|--------|------------|------------|-----------|
| Purchase intension | Pearson Correlation | 1                  | .547** | .612**     | .591*      | .549**    |
|                    | Sig. (2-tailed)     |                    | .000   | .000       | .000       | .000      |
|                    | N                   | 395                | 395    | 395        | 395        | 395       |
| CSR                | Pearson Correlation | .547**             | 1      | .703**     | .651*      | .642**    |
|                    | Sig. (2-tailed)     | .000               |        | .000       | .000       | .000      |
|                    | N                   | 395                | 395    | 395        | 395        | 395       |
| Awareness          | Pearson Correlation | .612**             | .703** | 1          | .761*      | .738**    |
|                    | Sig. (2-tailed)     | .000               | .000   |            | .000       | .000      |
|                    | N                   | 395                | 395    | 395        | 395        | 395       |
| Attitude           | Pearson Correlation | .591**             | .651** | .761**     | 1          | .762**    |
|                    | Sig. (2-tailed)     | .000               | .000   | .000       |            | .000      |
|                    | N                   | 395                | 395    | 395        | 395        | 395       |
| Green WOM          | Pearson Correlation | .549**             | .642** | .738**     | .762*      | 1         |
|                    | Sig. (2-tailed)     | .000               | .000   | .000       | .000       |           |
|                    | N                   | 395                | 395    | 395        | 395        | 395       |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 4.2

The two tailed correlations analysis test will be used because the study has a null and an alternative hypothesis therefore there is a possibility of there being a relationship between the dependent and the independent variables in both the directions. The relationship between the independent and the dependent variables is the one that is most important to satisfy our theoretical framework. Correlations between 0.40 and 0.59 are considered to be moderate whereas correlations between 0.6 and 0.79 are considered as strong relations. Table 4.2 shows the results

There is a 54.7% relationship between CSR and the dependent variable green purchase intentions, the relationship are positive with p value = 0.000. There is 61.2% relationship between green awareness and purchase intension and the relationship

between the two variables is positive with p value = 0.000.

| Model      | Coefficients <sup>a</sup>     |            |                           |       |      |                                 |
|------------|-------------------------------|------------|---------------------------|-------|------|---------------------------------|
|            | Un-stand-ardized Coefficients |            | Standardized Coefficients | t     | Sig. | 95.0% Confidence Interval for B |
|            | B                             | Std. Error | Beta                      |       |      |                                 |
| (Constant) | .799                          | .093       |                           | 8.616 | .000 | .617 .981                       |
| CSR        | .140                          | .048       | .163                      | 2.898 | .004 | .045 .235                       |
| Awareness  | .249                          | .061       | .276                      | 4.066 | .000 | .129 .370                       |
| Attitude   | .192                          | .059       | .217                      | 3.228 | .001 | .075 .308                       |
| Green WOM  | .066                          | .057       | .075                      | 1.156 | .248 | -.046 .178                      |

a. Dependent Variable: Purchase intension

There is a 59.1% relationship between green attitude and green purchase intentions with p value = 0.000. The variable Green word of mouth is a 54.9% related to green purchase intentions with p value = 0.000. Overall the results show that three of the dependent variables CSR, green attitude and green word of mouth have a moderate relationship with green purchase intentions, whereas green market awareness has a strong relationship with green purchase intentions.

**Statistical Analysis**

**4.4 Regression Analysis**

The regression analysis is to test the existing relationship between the independent variables and the dependent variable. If the independent variables define the dependent variable very well then R square value is greater then 0.33.

The R square value of 0.428 shows that green purchase intention is explained to 42.8% proportion by the independent variables (CSR, Green Attitude, green awareness and green word of mouth) and the independent variables define the dependent variable well.

**4.5 Anova** USING THE F DISTRIBUTION THE ANOVA IS USED TO CALCULATE AND COMPARE THE MEANS BETWEEN THE SAMPLES COLLECTED. THE "DF" IS THE DEGREE OF FREEDOM IN THE SAMPLES IT SHOWS THE VARIANCE IN THE RESULTS COLLECTED. THE F VALUE IS EQUAL TO THE VARIATION BETWEEN THE MEANS OF THE SAMPLES COLLECTED DIVIDED BY THE DIFFERENCE IN THE SAMPLES COLLECTED. THE SIGNIFICANCE VALUE SHOULD BE LESS THAN OR EQUAL TO 0.05 FOR THE DATA TO BE STATISTICALLY SIGNIFICANT.

Table 4.4

The significance value 0.000 from the table 4.4 shows that the data collected is statistically significant.

**4.6 Coefficient**

Table 4.5

The Multiple regression equation was used where by:

$$Y = C + \beta X_1 + \beta X_2 + \beta X_3 + \dots + \beta X_n$$

Where,

Y = to the relationship of the independent variables towards the depended variable purchase intentions

C = the constant value

$\beta$  = Unstandardized coefficient

X = Dimension of independent variables (CSR, Green awareness, Green attitude, and Green word-of-mouth)

Putting the value of  $\beta$  (from table 4.5) into the multiple regression equation we get:

$$Y (\text{Green Purchase intentions}) = 0.799 + (0.140x_1) + (0.249x_2) + (0.192x_3) + (0.066x_4)$$

Since all the beta values are positive therefore it indicated that

**ANOVA<sup>a</sup>**

| Model | Sum of Squares | df  | Mean Square | F      | Sig.              |
|-------|----------------|-----|-------------|--------|-------------------|
| 1     | 107.828        | 4   | 26.957      | 72.886 | .000 <sup>b</sup> |
|       | 144.242        | 390 | .370        |        |                   |
| Total | 252.070        | 394 |             |        |                   |

a. Dependent Variable: Purchase intension

b. Predictors: (Constant), Green WOM, CSR, Attitude,



all the independent variables (CSR, green awareness, green attitude and green WOM) have a positive relationship with the dependent variable (green purchase intentions). Since green market attitude has the highest  $\beta$  value therefore it shows that green market attitude is the most significant variable that defines green purchase intentions.

The standard coefficient allows to calculate the importance of each coefficient in the regression model. It means that even though the variables are different in nature they can still be compared with each other.

The significant value should be less than 0.05 for the data to be statistically significant. However the value for Green word of mouth is 0.248 meaning that the model was not significant. Even though the data was collected from individuals and is a true representation of the population.

#### 4.7 Reliability Analysis

Cronbach alpha was used to assess the consistency of the questionnaire, where Likert scale was used.

##### Reliability Statistics

| Cronbach's Alpha | Cronbach's Alpha<br>Based on Standardized Items | N of Items |
|------------------|---|------------|
| .905             | .905  | 5          |

Table 4.6

A Cronbach Alpha value greater than 0.7 shows the variables have an strong reliability coefficient. Since the Cronbach alpha value is 0.905 therefore it indicated excellent reliability coefficient.

#### 4.8 Discussion of Results

The reason to discuss the results is to find out if the original understanding of the problem has been supported by the research or not, furthermore there maybe new findings or directions for research that will help us understand green purchase intentions that will in effect give rise to the new emerging trend of green marketing. The discussion of the results helps in understanding the results from the data collected in detail below with acceptance or rejection of the null hypothesis. The Pearson correlations and the significant coefficient values are used to accept or reject the null hypothesis.

##### Cooperate Social Responsibility

**H01: Cooperate Social Responsibility is negatively related to green-purchase intentions**

**H1: Cooperate Social Responsibility is positively related to green-purchase intentions**

The Pearson correlations value of 0.547 (54.7%) shows there is a 54.7% relationship between CSR and the dependent variable green purchase intentions, the relationship is moderately strong positive with p value = 0.000. The significant coefficient is 0.004 which is less than 0.05. As per these results the Null hypothesis is rejected.

##### Green market awareness

**H02: Green market awareness is negatively related to green-purchase intentions**

**H2: Green market awareness is positively related to green-purchase intentions**

There is 61.2% relationship between green awareness and purchase intension and the relationship between the two variables is strong and positive with p value = 0.000. The significant coefficient is 0.000 which is less than 0.05. As per these results the Null hypothesis is rejected.

##### Green market Attitude

**H03: Attitude towards green market is negatively related to green-purchase intentions**

**H3: Attitude towards green market is positively related to green-purchase intentions**

The Pearson correlations value of 0.591 (59.1%) shows there is a 59.1% relationship is moderate between green attitude and green purchase intentions with p value = 0.000. The significant coefficient is 0.001 which is less than 0.05. As per these results the Null hypothesis is rejected.

##### Green Word-of-mouth

**H04: Green word-of-mouth is negatively related to green-purchase intentions**

**H4: Green word-of-mouth is positively related to green-purchase intentions**

The Pearson correlations value of 0.549 (54.9%) shows the variable Green word of mouth is moderately positively related to green purchase intentions with p value = 0.000. The significant coefficient is 0.248 which is more than 0.05. The t value measures the size of the difference in the variations of our sample data, whereas the mean is the average of the data sample, if the t-value and mean are same or close to each other than this means the null hypothesis is rejected. Now since the mean is 2.2437 and t value is 1.156 and mean is higher than t value therefore the null hypothesis is accepted. As per these results the Null hypothesis is accepted.

## 5 CONCLUSION

Over all due to the current environmental crisis the world is in great need to introduce and start green marketing. Every marketing activity at the end of the day is based on the number of sales generated, and hence the need to study green purchase intentions among customers is vital to encourage green marketing activities. Government policies that support and encourage green marketing need to be made in order to reduce the toxic waste e.g plastic bags that seem to be a common site in Karachi.

Furthermore, the study showed that one hypothesis was rejected that showed the relationship between green word of mouth and green purchase intentions. The reasons for decline of this variable can be one of the two; either since this is a new variable the construct developed is not mature enough to carry out the study in Karachi and hence the result; or, green marketing is not talked or discussed about among people. The reason green marketing is not talked about might be because



green marketing is not common in Pakistan.

The findings of the study show that if managers and shareholders start selling green products then customers do have a willingness to purchase environmental friendly products in Karachi Pakistan.

## 6 LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

There was a shortage of time to carry out the study and the sampling means was not as targeted and might have shown only one side of the picture. This same research need to be carried out in less fortune areas of Karachi to find out if the population with less education and purchase capabilities are have awareness, attitude, believe in firms CSR activities and green WOM towards

This same study needs to be carried out in other cities of Pakistan, and more over also in rural areas as a large percentage of retail customers who purchase FMGC goods also live outside the cities

Demographics of the population also needs to be recorded to further help while setting target market and doing market segmentations for green marketing.

The market mix also needs to be studied with the dependent variable green purchase intentions

Variable that influence the independent variable of the study can also be looked into that can explain what creates green awareness, green market attitude, green word of mouth and CSR activities that lead customers to green purchase intentions.

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