

Green Customer Value

Subjects: Others

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Green Customer Value means the attitude of customers towards green products has effects on their green purchase intention. The green customer's perceived value, including environmental value and perceived environmental image, have significant and positive influences on attitude towards the green product.

Keywords: attitude towards green product ; green marketing ; green customer value ; green psychological benefits ; green purchase intention ; signaling theory ; ABC theory

1. Introduction

With a huge apprehension of global warming and the increasing pressure of environmental pollution, many organizations have engaged the way to become more socially responsible by developing green products. Environmental management has become a primary concern for small and medium enterprises businesses ^[1]. The phenomena of green consumer behaviors have changed as a new model for marketers and academicians ^{[2][3]}. The modern idea of green marketing has emerged as a competitive tendency to grab and win customers' attention in the marketplace.

Consequently, firms are paying more attention to the production of green products which will not poison the environment and can be recycled or maintained using low-toxicity materials ^[4]. Comprehending consumers and developing green marketing strategies to entice targeted consumers have become common research topics. Environmental concern has a substantial impact on people's behavior in environmentally-related domains. Thus, the essential to produce green products has forced firms to concentrate more on environmental matters in their productions. Most previous studies tend to use the Theory of Planned Behavior (TPB) to examine the motivation of green purchasing ^{[5][6][7]}. Consumer's green value is also regarded as another important factor for attitude and intention towards green purchasing. Kim and his colleagues ^[8] developed the Value-based Adoption Model (VAM) to explain the effect of value on the intention of (green) purchasing. All of the above models did not assess the impacts of environmental concerns, green marketing, green-word-of-mouth (GWOM), and psychological benefits.

First of all, the concept of green marketing has become a rising force, creating a need for additional efforts to promote eco-friendly products ^[9]. In the context of green marketing, advertisements addressing environmental concerns are always very powerful to facilitate green purchasing ^[10]. GWOM has served as an unofficial message or supplementary recommendation that can bring a higher degree of credibility towards green products, which can promote green consumption ^{[11][12][13]}. Green marketing is to create environmental awareness about the implication of global warming, non-biodegradable solid waste, and damaging pollutants ^[14]. Green marketing actions through all four Ps are to be shaded green purchasing ^[15]. Previous studies regarding this research issue are still limited especially still in lack of empirical validation. Green marketing, including environmental advertisement and GWOM, would serve as moderators that, in the situation with higher levels of green marketing activities, using environmental advertisement and GWOM, the influence of green customer value and attitude towards green purchasing would be significantly higher.

In addition, based on the Signaling Theory and the Model of Symbolic and Conspicuous Consumption, psychological benefits including warm glow, self-expressive benefit, and nature experience can be critical for green purchasing ^[16]. People are more willing to pay money for green purchasing if it can create a psychological benefit of warm glow and self-satisfaction due to the pursuit of a positive emotional state to help others (or the earth) ^{[17][18]}. Psychological benefits derived from self-expressive socially observable consumption can result in a high intention of green purchasing ^{[19][20]}. Psychological benefits from nature experience, which evoked by advertising included natural imagery could be very powerful to create emotional responses in terms of attitude improvement ^[21], value formation ^[22]; and pro-environmental behavior ^[23]. In the situation with the high level of psychological benefits from the warm glow, self-expressive benefits, and nature experience, the influence of green customer value and attitude towards green purchasing would be significantly stronger.

2. Effect of Green Customer Value

First, consumers will perceive a higher purchase intention towards green products if they perceive a higher value with a more positive attitude towards green products. The green customer's perceived value, including environmental value and perceived environmental image, has significant and positive influences on attitude towards the green product. Holbrook [24] suggested that a customer's perceived value can be a relativistic preference and experience depending on the individual, situation, or product. According to the multidimensional approach, the perceived value represents the sum of the different values which have effects in a particular situation. The previous study indicates that customers' perceived green value can result in a high level of environmental consciousness and a pro-environmental attitude [25]. Perceived value also consists of "softer" elements, such as image benefit [26][27][28]. Customers with a positive perceived environmental image not only enhance their level of sustainable green consumption intention but also provide a good image to the society. Additionally, Hänninen and Karjaluoto [29] suggested that customer perceived environmental values and perceived environmental image are the main dimensions impacting customer attitude towards green products. Consumers who owned a more positive environmental attitude also rated environmental value and image strongly to the overall values of green purchase intention.

Second, the effects of moderators for the influence of attitude towards green products on green purchase intention were studied. Particularly, the green purchase intention is moderated by the strong effect of the environmental advertisement on social media. Saboo et al. [30] and Kao [31] found that environmental advertising had a positive impact on consumer attitudes towards a green product, the brand advertised, and the intention to buy the product mentioned in the advertisement. The results suggested that a person who showed great emotional attachment to environmental well-being would be more likely to perform more positive environmental actions. Chekima et al. [32] demonstrated that environmental advertising tends to perform a high level of environmental responsibility by encouraging consumers to form a stronger intention to buy green products. Furthermore, GWOM had a significant moderating influence on green purchase intention. The more positive information customers gained about the product from peers, the more likely they will hold to make a better product choice. This proves to be a true and effective marketing strategy; for example, "80% of all buying decisions are influenced by someone's direct recommendations"[33]. Therefore, it is important for marketers to pay more attention to GWOM to promote green purchase intention.

Lastly, green psychological benefits including warm glow, self-expressive benefit, and nature experience are shown to have significant moderating effects on green purchasing behavior. Specifically, respondents who perceived higher warm glow, self-expressive benefits, and nature experience tended to have higher green purchase intention. The results aligned with Hartmann and Apaolaza [19] in that warm glow arising from contribution to the improvement of the environmental common good increases intention to purchase green products. Moreover, the higher level of nature experiences, the greater the positive effects of customer's values and attitudes on the intention to purchase green products. Marketers need to focus on the values of customers, such as value related to environmental conservation and general concern for the environment. Vlachos et al. [34] suggested that consumers who are emotionally attached to a specific brand (brand love and brand attachment) tended to be more committed to repurchase and to recommend it to others. Individuals may also engage in environmentally sound behavior to signal their altruism and thus enhance status and reputation by showing their capacity and willingness to contribute to the common good [35]. Griskevicius et al. [36] demonstrated that status motives lead consumers to choose green products over non-green alternatives. Similarly, Ahmad and Thyagaraj [20] suggested that the greater the consumer's desire for status and reputation, the higher their intention to purchase a green product. Thus, consumers who have a higher self-expressive benefit tended to focus more on the value of the green product, so when the value of the green product is high, they will have higher green purchase intention [37][38].

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