Analyzing The Effect of Green Marketing Strategies on Brand Loyalty

Shaghayegh Shakiba Tabar,
*PhD student of Business Administration - Marketing Islamic Azad University Central Tehran branch*

Vahid Reza Mirabi
*Member of the Board of Islamic Azad University Central Tehran Branch*

**Abstract**

Green Marketing is responsible for developing and promoting products and services which meet the customer’s wants and needs in terms of quality, performance, optimal pricing and convenient, with no damage to the environment. In this regard, a lot of research to evaluate the benefits of this new phenomenon of marketing mix elements of the business has been done. This study aimed to investigate the effect of green marketing mix on brand loyalty. The study population was made up of Isfahan resistant. According to the infinity of the population, the sample to investigate was selected of 385 students. After describing the theoretical bases and research on green marketing and loyalty to the brand, in order to examine the relationship of the four elements of green marketing mix [product, price, distribution, promotion] was used and each of these elements was defined using the variables. After collecting data using interviews and questionnaires, measuring variables, for data analysis from the Spearman correlation coefficients and multiple regression was used which finally revealed, among the elements of the marketing mix green: Green price, green products and green promoted have biggest effect on customer loyalty to the brand.

Keywords: Brand Loyalty, High Price Green, Green Products, Green Distribution, Promotion of Green

**Introduction**

Some believes marketing will cause the economic growth and increase public welfare, but a dozen 80 and 90, critical theory was considered the domain marketing [1] Many of these criticisms, accusing marketing into higher prices. In this regard, they have pointed to three factors such too much distribution costs, relatively high cost of advertising and promoting and profits [2] Given that many have considered economic activities of economic and social turmoil, from time to time some movement created to discipline these activities. In this regard, the two movements mainly include the consumer protection and the protection of the environment [3] the idea of a lasting relationship between business and the environment for the first time in nearly two decades ago were considered, is on the basis of this assumption that environmental goals and business objectives are not disparate and incompatible [4] the growing concerns in the wake of reports environmentalists concerning problems related to the environment, including global warming, increasing emissions of greenhouse gases and air pollution, come from factories and ozone [5] and subsequent actions, actions increasing amount of social etiquette and the environment Conditions under informed in advance of consumers of the importance of being socially responsible, concern about the scarcity of resources and rising costs, and most importantly, changes in values and attitudes of many companies to take that attention to issues environmental and sustainability as an essential part of their strategy [5] due to the above and look at the statistics and studies, and with the emergence of trends and new approaches to environmental issues which all indicates consumer purchasing behavior is indicative of the effect of such issues, to study the insights and attitudes of consumers, the sensitivity and the effect of these issues in their purchasing behavior, is necessary because of their significance in the development of marketing plans, [6] The study seeks to answer the main question that is, what is the relationship between marketing mix in green scales? And which of these hybrids have the greatest effect on customer loyalty to Green brands?
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Theoretical Foundations

Marketing Definition:
Marketing is the social process by which individuals and groups meet their needs and demands through production, supply and the free exchange of goods, their services and value [7]

Social marketing perspective:
Some experts believe that marketing perspective has too stresses on customers' demands and does not take into account the social welfare. These pro broaden marketing philosophy to bring it up to the philosophy of social responsibility of firms [8] Therefore, development of marketing perspective, social marketing has emerged to focus on the balance between satisfying consumer needs for long-term community and the organization's goals [9]

Corporate Social Responsibility [CCR]:
Social responsibility strategic approach in the management the market is to empower businesses and create economic growth and sustainable environmental and social development [10]

Social responsibility of the company undertakes permanent commitment company to provide ethical behavior in business until they improve the quality of life of employees in the organization as part of the community [not just labor], the order of the community here, including clients and other individuals Apart from customers [11] According to Philip Kotler, corporate social responsibility is a commitment to improve the welfare of the community through social Insight increase in business and is to share resources company [11]

Green marketing:
Green marketing is social process that individuals and groups through the exchange of goods and their values, meet needs and desires through an ethic that minimize the negative effects on the environment [12] green marketing is broad concept that all marketing activities to stimulate and reinforce attitudes and behaviors favorable environment for consumers are involved [13] tends to green marketing was started in the late '70s, when the marketing Association of America's first held work shop on ecological. subsequently in 1979, resulting printed in a book entitled ecological marketing by Heniun and Kenry [14] Despite the progress of early, only in the late '80s, the idea of green marketing seriously discussed, due to the expansion of this approach is that period of time to increase public awareness and to raise awareness of the need for people to buy? green products, green products increased willingness of consumers [15] Płonski and Rosenberg [2001] suggest that green marketing is the fact that environmental issues are all basic strategies that have focused on the lead [16] According to research Avtmn (1993) green marketing services is to pursue two main goals:
1. Produce and promote products for the consumer which are affordable and have acceptable quality with the least damage to the environment
2. Creating imagination of a high quality product for producers and consumers, with emphasis on the environmental aspects of the product which consider the characteristics and from the perspective of environmental aspects of production [17]

Since the resources are limited and unlimited human demands, it is important for marketers with no lack of accessibility to organizational goals, use resources efficiently

Green marketing is a marketing strategy that helps marketer’s accessibility to this goal. This type of marketing, protects the environment through the creation of recognizable environmental benefits based on what the customer expects

Green marketing periods:
Green marketing has its development stages during different developmental stages, each stage of the evolution specific requirements of green marketing for the company. The first era of ecological green marketing: the era was of the late 60's and early 70's .The first period features was focused on the problems of the external environment such as air pollution [20] predicted the emergence of a green period make many marketers have tried to apply various forms of green marketing at the beginning of the first stage and follow the marketing activities of their green waiting for a positive response of consumption and the subsequent increase in the commercial reputation, market share and sales of the company [6] Age II-green marketing environment: the stage started in the late '80s and new concepts such as clean technology
sustainability, green consumer and competitive advantage emerged [20] during this decade that the existing literature known it as the environment and the green, which aims to reasonable balance between the objectives of sales and profits on the one hand, and taking into account the environment and [21] Society on the other hand are [4]. The significant difference between the era of the first and second era was that the age I usually focused on industries which have a direct effect on the environment, but environmental marketing have all production methods and services, Including tourism [20] Third period - Sustainable Green Marketing: In the late 1990s, which anticipated continued pressure from consumers, Managers were forced to adopt the path towards sustainable marketing. Sustainable marketing refers to create and maintain lasting relationships with customers, social environment and the natural environment [21]

**Green Marketing Strategy:**

Olsen [2008] in their study stated that although a large number of companies have apply of all forms of green innovation, but few of them have attempted to develop a green strategy [23] implementation of a green strategy needs to look at the fundamental, holistic integrated in all aspects of marketing including marketing mix targeted, pricing, design, positioning and promotion [16], Fuller [1999] awareness of the needs and wants of the target market for strategy formulation green essential knows this is evidence of the need for proper data collection. [22] Polonski and Rozenberg(2001) suggest that green marketing activities, in marketing their performance can be divided into three levels, tactical, and green strategic marketing green strategy including implementing limited changes and limited coordination across multiple operations. Quasi-strategic activities, as well as marketing usually involves fundamental changes in marketing activities and also coordination between multiple marketing. [16]

**Mixed green marketing:**

From the perspective of Polonski and Rozenberg (2001) strategic activities that a company can do include: targeting pricing, design, positioning and promotion. [16]

**Green Product:** green product helps to protect and improve the natural environment by conserving energy and resources, and reduce or eliminate the use of toxic substances, pollution and wastes [23] In other words, a product is less harmful to the environment [12] the most important element in the marketing mix is product. ecologic aims to design products helps to reduce the pollution, green product helps to preserve the natural environment and reduce or eliminate pollutants and wastes [16] one of the things that can be considered in green product is green design in terms of Ahary [1995] in green design should respect the following items:

- **New design based on for forecasting:**
  - design based on health and safety;
  - design based on easy separation;
  - Design based on ease of recycling and minimum energy use and pollution;
  - Design based on less use of materials and components of goods;
  - Design based on simple function [37]

In green marketing the price should represents the real price or at least approximate of real price. This means that not only the direct costs of production but also environmental costs should be considered. [24]

Price of green marketing mix is critical. Most consumers are only willing to pay a higher price to realize value-added product. this value may improve performance, efficiency, design, visual attraction or taste it or even because of other features such as green product longer service life and safe [16] green product must retain the balance between the cost of customer payments and obtain consent to pay more for environmental protection. Sensitive environments are appropriate notification information that should be decided concentrated promotional activities but requires a real change activities are carried out. Plonski states that the firm before the outdoor advertising should know that useless customers each category of information environment are important and should inform them. [16] means the transfer of environmental information real to consumers that the company's activities linked to [16] also said the company is committed to conservation of natural resources to attract the target market [26] Green Distribution reduce pollution and conserve resources in delivering products to the market [25] green supply chain by environmental regulations for green producers and supply chain eager is to expand operations environmental friendly [27] preparatory debates reverse a] times to help recycling system [can be placed under the theme distribution.
Due to reverse logistics, taking into account green distribution. Based on reverse logistics, it is important for companies to consider the following:

Identification: Tracking goods through reverse logistics process
Recycling: Collect goods to reprocess them.
Review: Test material to the reprocessing whether they can achieve the standards or they needed to be separate to the parts or be cleared
Reproduction: Production of this product in accordance with its original or remove components suitable for reuse.
Fend off: remove substances that are reproducible and re-generated sales to existing customers or new customers.
Re-engineering: evaluation of the existing products in order to better design [36]

The definition of brand loyalty
Today, one of the most valuable assets of any single company is brand and brand equity. Companies with high brand equity brand position in the minds of customers, can easily amongst others to be considered profitable industry on their own [28] Loyalty is a strong commitment to superior service in the future repurchase of a product or a shed, that the brand or product be purchased despite the marketing efforts, effects and potential competitors [29] Marketing Association of America brand loyalty that defines the advantage which a client instead of buying a product from multiple suppliers, it is frequently a supplier bought a 30 Cutler in the customer loyalty believes that faithful the customer needs to discriminate between different clients are asking that no company cannot expect the same attention to profitable customers and to non-profits clients [31] but Oliver knows loyalty to the concept of having a deep commitment to repeat purchasing and continuous customer a product or a service [38] David Aker believes that brand loyalty reflects the possibility of joining a client to a competitor's brand. Especially when they lead to changes in the price and features of the product [33] in terms of customer loyalty concept includes three dimensions: behavioral, attitudinal, is installing. Then repeat purchase behavior, customer loyalty focuses on behavior. After favorable attitude to the concept of the trend toward a service provider. Finally, a combination of loyalty perspective, definitions of behavioral and attitudinal dimensions of loyalty combines [34]. Approach attitude is divided into three distinct parts:
1. Cognitive loyalty: is related to customer behavior and led to the customer beliefs
2. Emotional loyalty: is related to commitment and customer confidence led to his feeling
3. Loyalty action: is related to the client plan to buy in the future [35]

History Research
The first attempt to determine the relationship between marketing and the environment goes back to the early 1970s. Authors such as Kasarjyn (1971), Fisk (1973), Keener et al (1974) the first articles on the subject published in the Journal of Marketing [4] In a study conducted in the US in 1989. The results showed that 49% of respondents buying have changed due to environmental issues [38]. The Australian Bureau of Statistics on 16 thousand studies show that 75 percent of people are worried about environmental issues [39] In a study in 1993 to over 50 premier organization Great Britain took place, 78 percent of executives stated, environmental issues of the main concerns of consumers and in their purchasing behavior affects, as well as 82% of them stated that approach of the next decade, they will have a greater philosophy and organizational strategy [40] Sopiliko (2009) based on his research stated that 55.56% of people are aware relative to environmental issues, which means to identify and purchase environmentally friendly products. [41] In another study, which the consumer Australians have been doing, 5.61 percent of average consumers willing to pay more for environmentally friendly products [42] The study was conducted under green products attractively FMCG to customers. Preliminary data from a sample that was conducted in three regions of Tehran were collected. 160 people were selected to answer and respondents were asked to respond to a questionnaire prepared. Questionnaire to obtain customer behavior and perception of the products of FMCG eco-friendly, value-added effect on four areas, including product design, packaging, place and promotion to stimulate consumption guidelines are, in fact, was prepared. The study showed that
green products is considerable awareness among consumers in Tehran are so willing to purchase these products pay more. The majority of customers to be packaged as an important element in these products noted. Finally, several researchers to create a paradigm shift in marketing strategy is a set of customers towards green products have advised. [43] Empirical studies also examined the effect of environmental labeling on consumer research result shows the percentage of consumers are inaudible label products. And some consumers despite lower quality green products, buy the products, but are in search of environmental information on labels [44] In a study the effect of marketing mix green purchase decision making process of consumers [household consumers CFLs Rasht] The results showed that there is a significant positive relationship between each element of the green marketing mix strategies and decision process of costumer purchase. In addition, there is a significant relationship between green Marketing strategies. [45] In research on the subject of how to use the colors in banking advertisement [Case Study of green color and deposit loan]] the results of this research show that with regard to spiritual motivations account of the loan in Iran and the role of symbolic green and effects mental, FBS increase the effectiveness of advertising in the accounting value of the used colors. This can also transfer the concept of spiritual concentration of loan accounts, which lead to attract more investment in this area [46]

Research objectives
This study examines the effect of marketing mix elements on customer loyalty to different brands, which is in line with the following goals in mind:
1. The development of practical knowledge about green marketing
2. Providing evidence for the effect of various green marketing on customer loyalty to the brand
3. Identification of green marketing mix and determine the relative importance of each element of the marketing mix in a variety of customer loyalty to brands

Research questions
1. Is there relationship between green marketing mix elements and customer’s loyalty to various brands?
2. Is there internal relationship between green marketing mix elements?

Hypothesis
According to research questions, research hypotheses were formulated as follows:
1. Green product has a significant positive effect on customer’s loyalty to the different brands
2- Green price on has a significant positive effect on customer’s loyalty to the different brands
3-Green promotion has a significant positive effect on customer’s loyalty to the different brands
4- Green distribution has a significant positive effect on customer’s loyalty to the different brands

Research Methodology
this study in terms of purpose is applied and in terms of method descriptive - survey. In this study, a questionnaire was used to gather information. For this purpose, two questionnaires were used. The first questionnaire was designed to assess the elements of the marketing mix green and the second questionnaire measure customer loyalty; Reliability of the questionnaire distributed after the 40 sample, respectively Confirmed 0.910, 0.911. The validity of the study design, the number of teachers, universities, graduate and professional marketing management was approved. And thus ensure that the researcher's questionnaire to measure the same features. Collectively, these results show that the reliability and validity of the questionnaire. The population included all residents of District 6 of Tehran. Due to the unlimited population sample size was calculated according to the following formula:

\[ n = \frac{\left(\frac{z_\alpha}{2}\right)^2 \cdot P(1-P)}{d^2} \]

In the above formula
\( P = 0.5, d = 0.05 \) tolerances, \( z_\alpha / 2 = 1.96 \) confidence level, \( n \) the sample size is. So the size of the sample size is:
Given the likely loss of 400 questionnaires were distributed and finally 385 questionnaires were evaluated.

Data analysis
As mentioned questionnaire contains 53 questions that determine 3 general questions and general information of respondents and 50 specific questions and variables related to research. After being made public information on the questionnaire respondents is as follows:

Sex: 60.75% were male and 39.25% female
Age: 20 to 30 years, 20.08 percent, 30 to 40 years, 63.21 percent, 15.71 percent of 40 to 50 years
Education: Diploma .10.02 percent, Associate Degree 11.02 percent, B.A, 60.86 percent of M.A and higher 18.10 percent

Spearman correlation test was used to test the hypothesis that in the test green marketing strategy is as the independent variables and the dependent variable is customer loyalty to the brand.

By doing this test, the following results were obtained:

<table>
<thead>
<tr>
<th>Number theory hypothesis</th>
<th>Hypothesis</th>
<th>Spearman correlation coefficient</th>
<th>Sig</th>
<th>Significant level</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Green product has a significant positive effect on customer’s loyalty to the different brands</td>
<td>0.343</td>
<td>0.000</td>
<td>0.05</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H2</td>
<td>Green price on has a significant positive effect on customer’s loyalty to the different brands</td>
<td>0.420</td>
<td>0.003</td>
<td>0.05</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H3</td>
<td>Green promotion has a significant positive effect on customer’s loyalty to the different brands</td>
<td>0.198</td>
<td>0.004</td>
<td>0.05</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H4</td>
<td>Green distribution has a significant positive effect on customer’s loyalty to the different brands</td>
<td>0.212</td>
<td>0.005</td>
<td>0.05</td>
<td>Confirmed</td>
</tr>
</tbody>
</table>

According to the above results, all hypotheses were confirmed and all green marketing strategies are positively related to brand loyalty. The next step is to assess which of these variables can be entered into the regression equation, or in other words, determine whether a greater effect on the development of brand loyalty are using multiple regression analysis were the results in following table is

<table>
<thead>
<tr>
<th>Model</th>
<th>Multiple correlation coefficient</th>
<th>The coefficient of determination</th>
<th>Adjusted coefficient of determination</th>
<th>The estimated standard error</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.341</td>
<td>0.122</td>
<td>0.111</td>
<td>6.73187</td>
</tr>
<tr>
<td>2</td>
<td>0.405</td>
<td>0.188</td>
<td>0.174</td>
<td>6.62159</td>
</tr>
<tr>
<td>3</td>
<td>0.439</td>
<td>0.233</td>
<td>0.117</td>
<td>6.53724</td>
</tr>
<tr>
<td>4</td>
<td>0.341</td>
<td>0.122</td>
<td>0.111</td>
<td>6.73187</td>
</tr>
</tbody>
</table>

1. Predictor variable, the green price
2. Predictor variable, the green price, green products
3. Predictor variable, the green price, green products, green promotion

As the above table can be seen, the intensity of the relationship between the green price as a green marketing strategies to develop brand loyalty is 0.341. The amount of the variable green product increased 0.405. Finally, green promoted strongly associated with the development of brand loyalty increases at a rate of 0.439. But green variable intake distribution, enhanced solidarity is not excluded from the final equation. Column coefficient of determination indicates that the model 3 is the final version 0.233 of brand loyalty explained by green price, green products, green promotion.
The results of multiple regression analysis showed that three variables including green price, green products and green promotion as a predictor variable has the entrance criteria for regression equation to explain their brand loyalty. And so by modifying a standard deviation of 0.3424 in green price will cause brand loyalty changes. Finally, the change in risk appetite promoted a standard deviation of 0.293 in green product will cause brand loyalty changes. Finally, the change of one standard deviation change in risk appetite of 0.293 green promotion will cause brand loyalty changes.

**Discussion and conclusion**

The hypothesis of the study revealed that all green marketing mix elements are effective on variety of brand loyalty and the green price have the greatest effect. It was also found that there is a direct correlation between green marketing mix elements. And the relationship between green marketing mix elements in an appropriate significance level has been approved and the highest correlation was between the green price and green products. In addition to the main outcomes, the above collateral results considered. In this study, the green price has the highest relationship with the customer loyalty. According to theoretical assumptions and taking into account the situation of Iranian society the reason can be that consumers in Third World countries, especially development countries, pay attention to product which they are able to afford or conclude that the importance that the expected benefits are greater than the cost of green products. Which the result is logical due to the cultural, social and political factors of developing countries. At this point, the Green commodity producers need to identify and provide benefits to consumers in their promotional programs. And reflect commitment and promise to customers in their promotional programs. this is one of the most important factors in the adoption of green products from the customer perspective in developing according to cultural background and social ads because in all these countries, consumers have no reliable sources to learn about the benefits of green products. And obtain information about green product has essential role. The next important factor that has an effect on customer loyalty is a green product. Commitment and promise that the manufacturer's promotions, and expected benefits that the customer is able to afford it reflects in green product at this stage the important factor is that commitment and promise that producers promises in their advertising should properly have realized in their products that ultimately attracts the customers' satisfaction and loyalty.

At the end, practical suggestions provided:
1. Providing comprehensive media due to the values of the community to promote the benefits of green products.
2. Designing green products based on band-term interests in the Third World
3. Create a flexible pricing system to create long-term benefits
4. create coalitions and environmental organizations
5. Identify the target market and use of green marketing mix according to the requirements of developing countries
5. Relationship between the benefits of green products with cultural values

<table>
<thead>
<tr>
<th>Statistical indicators Variables</th>
<th>The coefficient of variation</th>
<th>Standard coefficient error</th>
<th>Standard coefficient</th>
<th>T value</th>
<th>T probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant value</td>
<td>0.000</td>
<td>14.985</td>
<td>0.395</td>
<td>4.773</td>
<td>57.247</td>
</tr>
<tr>
<td>Green price</td>
<td>0.003</td>
<td>2.592</td>
<td>0.315</td>
<td>0.559</td>
<td></td>
</tr>
<tr>
<td>Green product</td>
<td>0.000</td>
<td>2.252</td>
<td>0.271</td>
<td>0.532</td>
<td></td>
</tr>
<tr>
<td>Green promotion</td>
<td>0.017</td>
<td>2.122</td>
<td>0.248</td>
<td>0.506</td>
<td></td>
</tr>
</tbody>
</table>
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