Impact of Green Pricing and Green Promotion on Buying Behaviour of Hypermarket Consumers

Asim Mehmood & Amiya Bhaumik

Abstract

Consumer buying behaviour (CBB) in Pakistani hypermarkets can be influenced by green pricing and green promotion by providing environmentally friendly products at competitive prices. This study intends to examine how green pricing and green promotion affect consumer buying decisions in Pakistani hypermarkets. A total of 185 questionnaires out of 220 were retrieved, with an 84% return rate, from different hypermarkets in Peshawar, Pakistan. AMOS 28 was employed to perform advanced structural equation modelling (SEM) analysis enabling a comprehensive examination of the relationships between green marketing practices, including green promotion and green pricing, and CBB. The measurement model was utilized to evaluate the instrument's reliability and validity before the structural model was determined. The outcome showed that green pricing and promotion had a positive and significant association. Green pricing also had a substantial impact on CBB. The findings also point to a considerable and favorable influence of green promotion on CBB. Because the study is limited to the Peshawar area, it may not be able to extrapolate its findings to other contexts. In addition, the study only considers the effect of green pricing and promotion on customer behaviour ignoring other factors like personal views and attitudes that can also influence consumer behavior.

Keywords: green price, green promotion, consumer buying behaviour, hypermarkets, Pakistan.

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1. Introduction

Traditional marketing concepts and philosophies have substantially transitioned toward embracing social and environmental issues in recent decades. Consumer awareness of environmental issues, changes in governmental regulations, and escalating concerns about climate change are just few causes of this transition. Customers are becoming more interested in environmental concerns, and businesses incorporating sustainability into their marketing strategy can strengthen customer connections (Luchs et al., 2010). According to Samaraweera et al. (2021), customers are ready to pay extra for environmentally friendly goods and services in many markets. Hence, businesses that support sustainability reap the rewards of higher profits and a devoted clientele. Modern marketers frequently use the "green marketing mix" to set their products and services apart from their rivals and obtain a competitive edge (Reints, 2019). Mahmoud et al. (2017) assert that a green marketing mix can assist businesses in developing a distinctive brand identity and differentiating their goods from those of their rivals. According to the Arseculeratne and Yazdanifard (2013), businesses employing a green marketing mix can boost client retention and revenue while fostering environmental sustainability. Through green marketing, businesses can improve their brand image and grow their market share. It may assist businesses in differentiating their goods and services, building a stronger brand identity, and gaining an edge over rival businesses.

Environmental awareness and concern have risen among people in Pakistan because of efforts by the government and organizations to raise awareness and the growing impact of environmental issues on people's daily lives (Tan et al., 2022). It is crucial to remember that environmental awareness and concern can fluctuate significantly amongst different demographic groups and across the nation's regions. Younger people may be more worried than older generations, and urban dwellers may be more conscious of environmental issues than rural citizens. However, many enterprises still see environmental sustainability in Pakistan as an extra expense rather than a competitive advantage (Qalati et al., 2022; Ahmad et al., 2021). For instance, in the study of Ali et al. (2022) on the variables affecting Pakistani businesses' adoption of green marketing, businesses encounter several obstacles when applying green marketing, including a lack of customer knowledge and a need for more infrastructure and resources to support sustainable operations. The findings also indicated that price, product quality, and store environment are the most significant variables impacting consumer buying
intention. However, as environmental challenges become known in Pakistan, buyers are more interested in sustainable consumption. According to Zia et al. (2021), Pakistani customers are becoming more environmentally conscious and willing to buy goods from sustainable businesses. Chen et al. (2023) suggest hypermarkets concentrate on offering premium goods at affordable rates and creating a welcoming shopping experience to enhance consumer buying intention.

Many studies have been conducted on the impacts of green promotion, green pricing and CBB (i.e. Sohail, 2017; Delafrooz et al., 2014; Kumar and Ghodeswar, 2015) but research on the effects of green pricing and promotion on CBB in the context of Peshawar hypermarkets is still very limited (Hayat et al., 2019). Peshawar is one of the largest cities in Pakistan with a populace of around 3.4 million (Haq et al., 2021). Therefore, researching the effects of green pricing and promotion on CBB in this area may offer insightful information about consumer behavior and preferences. Although studies on green consumer behavior and green marketing in Pakistan have been conducted (Hashim et al., 2019; Majeed et al., 2020; Soomro et al., 2023; Iqbal et al., 2023; Akbar et al., 2023; Muhammad et al., 2023), there has been little research specifically on the effects of green pricing and green promotion on CBB in this context. Rather than offering a thorough understanding of the features that influence green purchasing behavior in the hypermarket, most existing studies on green consumer behavior and green marketing in Pakistan are narrow in scope and have focused on industries or products. Hence, this study aimed to close this research gap by analyzing the effect of green pricing and promotion on CBB at Peshawar hypermarkets.

This research will aid businesses and policymakers in better understanding of environmentally sustainable consumption patterns in general. Although there were no studies on this subject in Peshawar, similar studies in other settings or areas can offer insightful information about how well green pricing and promotion tactics might affect consumer purchasing decisions. Additionally, an in-depth investigation in Peshawar could help advance an understanding of regional buying behavior and the usefulness of green marketing tactics in this situation. First, the study may show green marketing techniques persuade consumers to choose environmentally friendly goods and services aiding Peshawar hypermarkets in creating persuasive marketing efforts that appeal to customers and promote sustainable purchasing behavior. Second, the study may increase consumer knowledge on the value of sustainable
consumption and the contribution of green pricing and promotion in encouraging sustainable consumer behavior. Finally, the study may aid Peshawar hypermarkets in determining the best methods of informing customers about green pricing and promotion strategies. It would make it simpler for customers to find and buy environmentally friendly goods and services, which might benefit the environment.

2. Literature review

2.1. Green Marketing Mix

The term "green marketing mix" describes applying marketing techniques to encourage consumers to utilize environmentally friendly goods, services, and behaviors. Focusing on sustainability and environmental responsibility does not appear; this strategic approach integrates the traditional marketing mix elements of product, price, place, and promotion (Polonsky & Rosenberger, 2001). The trend of the green marketing mix signifies a pronounced shift in today's business landscape towards prioritizing environmental sustainability and corporate social responsibility (CSR). This trend is characterized by an increasing adoption of green marketing strategies by companies, driven by consumer demand for eco-friendly products and a growing global awareness of environmental challenges (Kotler & Keller, 2016). Companies are embracing the principles of the green marketing mix across various facets of their operations to meet these evolving demands. In the realm of green product, companies are dedicating substantial efforts to the development of eco-friendly products. These products are designed with sustainability at their core, incorporating environmentally friendly materials, reducing waste throughout the manufacturing process, and extending product lifespans (Kotler & Armstrong, 2018). A company's ability to distinguish its goods and services from rivals gives it a competitive edge (Chen & Chang, 2013). In this sense, eco-labeling, packaging, and green product design are essential in informing customers of the product's positive environmental impact (Kim and Han, 2010).

On the concepts of green pricing, companies are strategically positioning themselves in the market. They strive to offer green products at competitive prices, often optimizing their production and supply chain processes to minimize costs (Polonsky & Rosenberger, 2001). Simultaneously, some companies adopt an eco-premium pricing strategy, charging higher prices for products with sustainability attributes, emphasizing their superior quality, durability,
or reduced environmental impact (Shaukat and Ming, 2022). Customers are becoming more environmentally concerned and are prepared to pay a premium price for eco-friendly products, which has increased the importance of the green marketing mix (Abdullah et al., 2018).

2.2. Green Price and Green Promotion

Green pricing is a strategy used to market environmentally friendly products and encourage customers to make more environmentally conscious purchases (Machová et al., 2022). The study of Begum et al. (2021) shown that consumers are willing to pay a premium for eco-friendly items perceived to have higher value or social benefits. In another study, Ansu-Mensah (2021) examined the relationship between pricing, promotion, and customers’ willingness to pay for green products, revealing a significant positive correlation between green pricing and advertising effectiveness. Therefore, it is imperative for businesses to implement both green pricing and promotion tactics to encourage consumers to spend in environmentally friendly products. Chen et al. (2023) argue that the impact of eco-friendly pricing and promotion on the adoption of green products underscores the moderating role of environmental concerns. Hence, the decision to adopt eco-friendly products is significantly influenced by both pricing and promotion efforts. Businesses should consider consumers' environmental concerns when crafting their green marketing strategies (Ali and Ahmad, 2016). Similarly, research on the effects of green pricing and promotion on Indian consumers' inclination to make green purchases has shown that these strategies have a positive impact on green buying intentions (Zhuang et al., 2021). Therefore, this study posits that:

**H1. There is a substantial correlation between green pricing and the promotion.**

2.3. Green price and Consumer Purchasing Behavior

It has been established in many studies that green pricing significantly influences customers' green purchasing decisions. For instance, Vazifehdoust et al. (2013), Pope (2021) and Shabbir et al. (2020) found that buyers are more likely to choose eco-friendly goods and services when given green price options. Customers pay more for goods and services that are ecologically friendly. Green pricing can impact customers' buying decisions and motivate them to make more environmentally friendly options (Zhang & Dong, 2020) and they are willing to spend more for goods that are marketed as environmentally friendly.
Green pricing can motivate businesses to adopt more environmentally friendly practices (Zhuang et al., 2021). Businesses that incorporate green pricing methods into their strategies often demonstrate a heightened commitment to sustainability and environmental responsibility. They prioritize sustainability by selecting or developing eco-friendly products, seeking environmentally responsible suppliers, and actively reducing waste. These companies promote transparency by providing consumers with information about the environmental benefits of their products and invest in eco-friendly practices within their own operations, such as using renewable energy sources and adopting waste reduction measures. Moreover, they educate consumers about the value of sustainable choices and often collaborate with environmental organizations and seek certifications to reinforce their commitment to sustainability.

Ottman et al. (2006) reiterate that green pricing can lower greenhouse gas emissions by incentivizing customers to choose green goods and services. Some consumers with a smaller carbon footprint pay more for goods and services. It shows that green pricing can help to encourage sustainable consumption and lessen environmental harm (Petro, n.d.). Green pricing is typically part of a long-term sustainability plan, reflecting a deep-seated dedication to minimizing environmental impact and contributing to a more sustainable future. It is a helpful tool for pushing businesses to adopt sustainable practices and a more environmentally conscious mindset. Hence, green pricing can improve a company's sustainability. Given the arguments from previous studies, this study posits that:

\[ H2. \text{Green pricing influences green purchasing behavior of consumers.} \]

2.4. Green Promotion and Consumer Purchasing Behavior

Niu and Chen (2018) refer marketing campaigns that emphasize a product or service positive environmental effects, such as lowering carbon emissions or promoting sustainable habits, as green promotion mix. According to Chen and Chang (2013), customers exposed to green promotion messages are more inclined to buy ecologically friendly items because green marketing strategies can inspire them to adopt environmentally friendly habits and raise their understanding of environmental problems (Sharma, 2021). Consumers view businesses that promote sustainability as being more socially conscious and reliable (Gelderman et al., 2021). This perception can improve brand loyalty and encourage good word-of-mouth referrals.
Hossain and Rahman (2018) believe that a green promotion can be a potent instrument for influencing consumer behavior toward green products and enhancing the reputation of businesses. Hence, this study argues that:

\[ H3. \text{Green promotion positively influences green purchasing behavior of consumers.} \]

2.5. Green pricing, green promotion and consumer buying behavior

Zhang (2023) refers CBB as the purposeful decision made by customers to select goods and services that favorably influence the environment. Chekima and Chekima (2019) found that social norms, personal beliefs, and environmental awareness can all impact consumers' green shopping decisions. For instance, the study of Parker et al. (2022) revealed that customers are more inclined to make green buying when they believe a product or service has a significant environmental impact. Additionally, customers are more inclined to buy environmentally friendly goods if they are of equivalent quality and worth to conventional goods (Guerreiro et al., 2023). According to Gonzalez-Benito and Gonzalez-Benito (2006), several variables such as product availability, pricing, and labeling, might impact consumers' green purchasing decisions. For instance, consumers worried about the environment may find certified ecologically friendly products more appealing (Ern et al., 2000). A critical shift in consumer behavior is the adoption of green purchasing practices, which reflects an increase in environmental awareness and a willingness to support sustainable consumption habits (Sharma et al., 2022).

2.6. Theoretical framework

A well-known social psychology theory, Theory of Planned Behavior (TPB), contends that the primary influences on someone's behavior are their attitudes, subjective norms, and sense of behavioral control. This theory argues that a person's attitudes toward environmentally friendly goods, the social norms surrounding such goods, and their sense of behavioral control can all impact their willingness to engage in green purchasing behavior (Ajzen, 2020). By considering these factors, the study aimed to gain insights into the drivers of consumer behavior in hypermarkets regarding green pricing and green promotion.

The Value-Belief-Norm (VBN) Theory is another pertinent theory that contends a person's values, beliefs, and norms affect their conduct. This theory explains that an
individual's environmental values, opinions regarding how their actions affect the environment, and social norms concerning environmental responsibility can all impact their willingness to buy (Kaiser et al., 2005). In this study, the VBN theory shed light on how consumers' environmental values and beliefs influenced their engagement in CBB with respect to eco-friendly products promoted through green pricing and green promotion.

Moreover, the Social Marketing Theory offers a framework for comprehending how marketing tactics can encourage change, including green consumer behavior. According to this concept, marketers can influence consumer behavior by utilizing a variety of marketing instruments, including product design, price tactics, and promotional messages (Peattie & Peattie, 2003). In this study, this theory explored how the implementation of green pricing and green promotion within hypermarkets influenced consumer choices and behaviors related to environmentally friendly products.

3. Methodology

3.1. Measurement

In this quantitative study, the green price and the green promotion are the independent variables. Using the tool by Hashem and Al-Rifai (2011), it measured the green promotion through six-item questionnaire and the green price through a three-item researcher-developed questionnaire. On the other hand, the dependent variable is measured by eight-item questionnaire related to CBB (Rezai et al., 2012; Chiu et al., 2013). All the variables were measured by 5 Likert scale, where 5 represents a strong agreement, and 1 represents a strong disagreement.

3.2. Participants and data gathering

A questionnaire was used to gather data from 185 respondents in Pakistan's Peshawar city customers who are interested in buying ecologically friendly products. The study employed purposive sampling technique by deliberately selecting respondents who expressed a strong interest in purchasing ecologically friendly products. This approach is driven by the study's core objective to comprehensively explore the behaviors and preferences of individuals inclined towards eco-friendly purchase. By focusing on this specific demographic, the study aims to reduce unwanted variability in responses, enhance the practicality of data collection, and ensure that its findings are particularly relevant to businesses and policymakers seeking
insights into environmentally conscious consumer behavior. The screening questions aim to ensure that the participants satisfy the requirements for inclusion in the study.

The study included 185 buyers, aged 21 to 50, from 3 hypermarkets of Peshawar, Pakistan, that actively incorporate green marketing practices, specifically green pricing and green promotion, into their business strategies. The hypermarkets meeting the criteria of offering green pricing and green promotion were the only included in the study. Among the participants were 88 women and 97 men (52.4 and 47.6%, respectively). The typical age of respondents was between 31 and 40 (26.5%), and the average participant income was over $55,000 (37.3%). The 125 (67.6%) of the respondents were married and 52 (28.1%) were unmarried. In terms of educational qualifications, 25 (13.5%) were bachelor’s degree holders, 95 (51.4%) have master’s degree and 16 (8.6%) with MPhil.

3.3. Structural equation models

A two-stage Structural Equation Modeling (SEM) analysis, beginning with the measurement model, was carried out in the study using AMOS version 28. Item loading, internal consistency, and convergent validity were used to evaluate the measurement model's accuracy and dependability (Schumacker & Lomax, 2010). The degree of correlation between an observed variable and the related latent variable is item loading. The loading of an item was deemed adequate if it was 0.5 or above. The measuring model's internal consistency was assessed using composite reliability scores; a score of 0.7 indicates a high level of reliability. The average extracted variance (AVE) was used to assess convergent validity, which is the degree to which various indicators of the same construct are connected. A score of 0.5 or higher denotes good convergent validity (Hair et al., 2010). The findings presented are congruent with accepted procedures for assessing the validity and reliability of instruments used in research investigations. These procedures are frequently employed to guarantee the accuracy and dependability of the data gathered.

3.4. Normality test

The skewness-kurtosis method ensures that the variances are normal (Hair et al., 2010). As indicated in Table 1, all skewness and kurtosis values are below their "3" and "8" cut-off (Schumacker & Lomax, 2010; Byrne, 2016).
3.5. Measurement model

CFA is used to evaluate how well the proposed model fits the data, and it shows that the model accurately captures the underlying construct. In this study, constructs for indicators with loadings of less than 0.4 were eliminated. Although a loading of 0.7 or greater is typically advised for a powerful indicator, this is a widely recognized standard for acceptable indicator loadings. Eliminating indicators with low loadings can help enhance the model's overall fit and validity. The model must, however, continue to be theoretically and conceptually valid and the remaining indicators must continue to measure the same underlying construct (Hair et al., 2010).

3.5.1. Model fitness

The study evaluated the model's goodness of fit using a variety of fit indices (Hair et al., 2010). These fit indices included the RMSEA, RMR, AGFI, GFI, NFI, CFI, and CMIN/DF.
measures of fit, each of which provided a different level of fit. Additionally, each of these indices had a different threshold value considered appropriate for determining a good match. A model is typically regarded as having a good fit if the RMSEA is less than 0.08, the CFI and TLI are more than .90, and the RMSR is less than .08 (Byrne, 2016). The study examined a standardized covariance matrix, modification indices, and standardized regression weights (factor loadings) as part of the refinement process to determine areas where the model may be improved (Hair et al., 2010). To increase the model's fitness, some indications from the initial measurement model were deleted based on the standardized regression weights. After lower-loading items were removed, there was 1 item from the green pricing scale, three items from the green promotion, and four items from the scale of CBB. The adjusted measurement model appears to have a good fit, according to the fit indices presented in table 2. Except for the chi-square value, which was significant, all fit indices are above or near the suggested levels.

Table 2

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Value Recommended</th>
<th>Original Measurement Model</th>
<th>Improved Measurement Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMIN / DF</td>
<td>Less than 5</td>
<td>8.08</td>
<td>2.94</td>
</tr>
<tr>
<td>GFI</td>
<td>&gt; .90</td>
<td>.786</td>
<td>.918</td>
</tr>
<tr>
<td>AGFI</td>
<td>&gt; .80</td>
<td>.657</td>
<td>.854</td>
</tr>
<tr>
<td>TLI</td>
<td>&gt; .90</td>
<td>.656</td>
<td>.916</td>
</tr>
<tr>
<td>CFI</td>
<td>&gt; .90</td>
<td>.710</td>
<td>.944</td>
</tr>
<tr>
<td>(NFI)</td>
<td>&gt; .90</td>
<td>.684</td>
<td>.919</td>
</tr>
<tr>
<td>RMSR</td>
<td>&lt; .08</td>
<td>.95</td>
<td>.05</td>
</tr>
<tr>
<td>RMSEA</td>
<td>&lt; 0.08</td>
<td>.196</td>
<td>.08</td>
</tr>
</tbody>
</table>

3.5.2. Construct reliability and validity

Cronbach’s alpha (CA), composite reliability (CR), and average variance extracted (AVE) are suggestions made by Hair et al. (2010) for evaluating the reliability, convergent validity, and discriminant validity of constructs in a measurement model. According to table 3, all the three constructs have strong internal consistency, as shown by Cronbach’s alpha values higher than 0.70. The Cronbach's alpha values are precisely 0.811, 0.868, and 0.916 for green price, green promotion, and consumer purchasing behaviour, respectively. Additionally, the CR values for each of the three constructs are higher than the suggested cut-off point of
0.70, demonstrating the validity of the assessment items for each construct. The AVE values for each concept exceed the suggested cut-off point of 0.50. The values of AVE are 0.709, 0.649 and 0.577 for the green price, promotion, and CBB variables, respectively. These findings show that the constructs successfully measured what they are supposed to. Furthermore, it is demonstrated that the measurement items accurately assess the study's focus components by the measurement model's good reliability and validity.

Table 3
Constructs reliability and convergent validity

<table>
<thead>
<tr>
<th>Constructs</th>
<th>CR</th>
<th>CA</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Price</td>
<td>0.828</td>
<td>0.811</td>
<td>0.709</td>
</tr>
<tr>
<td>Green Promotion</td>
<td>0.84</td>
<td>0.868</td>
<td>0.649</td>
</tr>
<tr>
<td>Consumer Buying Behavior</td>
<td>0.845</td>
<td>0.916</td>
<td>0.577</td>
</tr>
</tbody>
</table>

Table 4
Discriminant validity

<table>
<thead>
<tr>
<th></th>
<th>Gpromo</th>
<th>CBB</th>
<th>Gprice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Promotion</td>
<td>0.805</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Buying Behavior</td>
<td>0.678</td>
<td>0.760</td>
<td></td>
</tr>
<tr>
<td>Green Price</td>
<td>0.417</td>
<td>0.423</td>
<td>0.842</td>
</tr>
</tbody>
</table>

3.6. Structural Model

Figure 1
AMOS version 28 was used to calculate the results.

The structural model results were like the revised measurement model, showing the good fit model. The chi-square was substantial ($x^2 = 70.757$, df = 24, P = .000), and the other
4. Results

The study measured the effects of green pricing and green promotion on the CBB (figure 1 and table 5). Since the t-value is more significant than 1.96 and p-values are lower than 0.05, all the hypotheses are significant. Therefore, a positive correlation exists between green pricing and CBB ($\beta = .171$, $t=2.131$, $p = .03$); H1 is accepted. Similarly, the relationship between green promotion and CBB is significant ($\beta = .607$, $t= 5.601$, $p = ***$); H2 was approved. In addition, H3 is also accepted since a positive and substantial link exists between green pricing and promotion ($\beta = .196$, $t= 4.102$, $p = .05$). The effect for endogenous latent variables can be computed as 0.26 (higher), 0.13 (moderate) and 0.02 (low/poor) for R2 values. The green pricing and promotion together account for 48.4% of the variance in CBB as the R2 value for CBB is 0.484. The R2 value for CBB is higher than 0.26; therefore, the model has a high effect and is fit.

Table 5

<table>
<thead>
<tr>
<th>Hypothesis Relationship</th>
<th>Standardized Estimates</th>
<th>t-value</th>
<th>p-value</th>
<th>Decisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBB------ Green Price</td>
<td>.170</td>
<td>2.131</td>
<td>.03</td>
<td>Accepted</td>
</tr>
<tr>
<td>CBB------ Green Promotion</td>
<td>.607</td>
<td>5.601</td>
<td>***</td>
<td>Accepted</td>
</tr>
<tr>
<td>Green Price &lt;--&gt; Green Promotion</td>
<td>.196</td>
<td>4.102</td>
<td>***</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Figure 2

Structural model
5. Discussion

The CBB category provides critical insights into how green marketing practices, encompassing both green promotion and green pricing, influence customer purchasing decisions. The results strongly support the hypothesis (H1) that there is a significant and positive correlation between green pricing and CBB. The respondents indicate that green marketing practices have positively influenced their buying behavior. Additionally, respondents report making changes in their buying behavior to favor eco-friendly products in recent years, aligning with H1. This shows consumers are more inclined to adopt environmentally friendly habits and buy eco-friendly goods even if prices of the products rise. In a similar study, Luchs et al. (2010) several tests carried out concluded that products linked to higher degrees of environmental responsibility were likely chosen by consumers even though green prices were higher. Customers who value their health and the environment may be more inclined to pay for green items. However, elements like product quality, availability, and marketing activities, may impact the link between green price and CBB (Namkung & Jang, 2017).

An association between green promotion and CBB is positive and significant (H2) implying that green marketing and promotional tactics can persuade customers to adopt environmentally friendly practices and purchase eco-friendly products. The findings in the green promotion category reveal that a significant majority of respondents are aware of and recognize green promotional efforts implemented by the hypermarkets. Moreover, a noteworthy outcome of respondents confirm that green promotions have a positive influence on their buying decisions. This significant result aligns with H2, emphasizing the effectiveness of green marketing strategies in motivating customers to buy eco-friendly product. Additionally, the study found that discounts and special offers on eco-friendly products are the most preferred green promotions, suggesting that specific green promotional methods, such as discounts, resonate well with consumers. Green promotion can significantly influence CBB because there is a significant and positive association between green promotion and CBB. The behavior of consumers in terms of their buying selections can be positively impacted when hypermarkets run environmentally friendly promotions. It might result to heightened environmental awareness and concern and a desire to support ecologically beneficial behaviors and goods. It is significant to note that the nature of this relationship, including its strength and
direction, can change based on several variables including the type of promotion, the target market, and the goods or services being provided. Green marketing and consumer purchasing patterns are significantly positively correlated.

Within the green pricing, the research uncovers valuable insights into the customers’ perception and response to pricing strategies of eco-friendly products. Notably, more than half of the respondents express a willingness to pay a slightly higher price for products with eco-friendly attributes. This willingness to pay a premium supports the hypothesis (H3) that consumers may perceive environmentally friendly items as more valuable and worthy of a higher price. Furthermore, respondents perceive eco-friendly products as offering good value for their money, indicating that customers recognize the added value beyond the environmental benefits. According to the survey, consumers exposed to green promotions are more inclined to make ecologically friendly purchase. This finding emphasizes the significance of green promotions in business marketing plans to promote consumers’ sustainable purchasing behavior (Nguyen-Viet, 2022). Green marketing and promotional methods may persuade consumers that environmentally friendly items are more valuable and worthy of a higher price if there is a positive and substantial association between green price and promotion (H3). It may result to a rise in the demand for environmentally friendly goods and a change in consumer behavior toward more sustainable ones. In the study of Wang and Wong (2020) conducted in China, consumers exposed to green advertising were shown to be more inclined to pay more for eco-friendly hotels than consumers who were not. Another notable finding is that respondents express a willingness to switch brands to support environmentally responsible ones, emphasizing the positive association between green promotion, green pricing, and CBB, which shows consistency with H1, H2, and H3. These findings collectively suggest that green marketing practices effectively encourage environmentally conscious CBB offering opportunities for both sustainability and business growth.

6. Conclusion

The study effectively demonstrates the persuasive power of various green marketing techniques in influencing consumers to opt for environmentally friendly products and services. This is inferred from the positive and significant correlation between green marketing practices, including green promotion and green pricing, and CBB. The findings support the
idea that these strategies are impactful in motivating sustainable purchasing choices, thus achieving the first objective. The study also contributes to increasing consumer knowledge in Peshawar regarding the value of sustainable consumption and the role that green pricing and promotion play in promoting sustainable consumer behavior. The results, which indicate that a substantial proportion of respondents perceive eco-friendly products as valuable and are willing to pay a premium for them, suggest that consumers are recognizing the significance of sustainability. This aligns with the second objective of enhancing consumer awareness and understanding of sustainable consumption. Finally, the study assists Peshawar hypermarkets in determining effective methods of informing customers about green pricing and promotion strategies. This is inferred from the findings that show the positive impact of these strategies on customer behavior. Hypermarkets can use this information to tailor their communication and promotional efforts effectively, thereby achieving the third objective of the study.

The study discovered that green prices and marketing significantly affect consumer purchasing behavior in Pakistani hypermarkets. Two results show that to draw in and keep green customers, Pakistani hypermarkets should concentrate on two aspects of the green marketing mix (pricing and promotion). In addition, the study discovered strong associations between green pricing and consumer purchasing patterns, as well as between green pricing and green promotion. It was determined that the measuring model for the study's constructs was valid and reliable, which means that the assessment items correctly measured the constructs. The correlations between the constructs were further supported by the structural model, which likewise demonstrated a firm fit. The results imply that using green marketing techniques, such as green pricing and promotion, may favor consumer behavior in hypermarkets. According to a positive and substantial association between the two variables, customers are more inclined to buy environmentally friendly or sustainable goods when their prices rise. It may result from several things, including the fact that customers are becoming more environmentally conscious and prepared to pay extra for goods that share their values or that businesses are investing in sustainable processes and passing the cost on to customers. Businesses can convey to customers their commitment to sustainability and social responsibility by using green pricing tactics to market their eco-friendly goods and services. Customers are more likely to buy goods from businesses that share their values and views, which can result to higher sales. Green marketing can favorably impact the price consumers are ready to pay for ecologically friendly
items. Businesses that successfully market the environmental advantages of their goods may set themselves apart from rivals and command a higher price for their wares. It is crucial to remember that the efficiency of green promotion may differ across various industries and geographical areas.

The results of this study have significant policy and marketing ramifications. Marketers can use the findings to create successful green marketing plans that satisfy the demands and preferences of Pakistani hypermarket customers. Similarly, policymakers can use the findings to encourage environmentally friendly practices in the retail industry and encourage customers to make sustainable purchasing decisions. However, the study poses some drawbacks. First, the study's scope is restricted to the Peshawar environment, so extrapolating its findings to other contexts may not be possible. Second, the study ignores other elements that can affect consumer behavior, such as individual beliefs and attitudes, and solely focuses on how green pricing and advertising affect consumer behavior. Therefore, future research can solve these constraints by performing cross-cultural studies to investigate the influence of green prices and marketing on consumer behavior in various cultural contexts. Future studies can also consider individual values and attitudes in the consumption behaviors of consumers buying environmentally friendly goods.

References


