



Special Issue - Innovative Commerce: Bridging Business and Computer Applications (ICBBCA-2026)

PG Department of Commerce with Computer Applications, Mannar Thirumalai Naicker College, Madurai – March 2026

## THE FINANCIAL IMPACT OF GREEN MARKETING ON CONSUMER BUYING BEHAVIOR ON ECO -FRIENDLY PRODUCTS

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### Abstract

**G**reen marketing refers to the promotion and development of products and services that are environmentally friendly and sustainable. With increasing environmental concerns such as climate change, pollution, and resource depletion, businesses are adopting green marketing strategies to reduce their ecological impact while meeting consumer demand for eco-friendly products. This concept includes activities such as sustainable product design, eco-friendly packaging, energy-efficient production, and responsible advertising that highlights environmental benefits. Green marketing not only helps protect the environment but also enhances corporate image, builds customer trust, and creates competitive advantages in the market. However, challenges such as higher production costs, consumer skepticism, and the risk of greenwashing may limit its

effectiveness. Therefore, organizations must implement genuine and transparent environmental practices to ensure long-term sustainability.

Overall, green marketing plays a crucial role in promoting sustainable consumption and encouraging businesses to contribute to environmental protection while achieving economic growth.

**Keywords:** Green Marketing, Consumer Buying Behavior, Eco-Friendly Products, Sustainable Consumption, Environmental Awareness

### Introduction

- Green marketing involves marketing products that are safe for the environment and society.
- With increasing environmental concerns, consumers are becoming more conscious about sustainable products.



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- Companies are adopting eco-friendly production, packaging, and advertising strategies.
- Green marketing helps build brand reputation and attract environmentally aware consumers.
- This study aims to understand how these strategies affect consumer purchase decisions.

#### Statement of the Problem:

- Many consumers are still unaware of the importance of green products.
- Some consumers doubt the authenticity of green marketing claims.
- The higher price of eco-friendly products may affect purchasing decisions.
- Companies need to understand whether green marketing actually influences consumers.
- Therefore, the study examines the impact of green marketing on consumer buying behavior.

#### Objectives of the Study:

- To understand the concept and importance of green marketing.
- To analyze consumer awareness of environmentally friendly products.
- To study the impact of green marketing on consumer purchasing decisions.
- To identify factors influencing consumers to buy green products.

- To suggest ways to improve green marketing strategies.

#### Methodology

- **Research Design:** Descriptive research design.
- **Data Collection:** Primary data collected through questionnaires.
- **Data Sources:** Both primary data (survey) and secondary data (books, journals, websites).
- **Primary Data:** Collected through a structured questionnaire distributed to respondents.
- **Secondary Data:** Collected from books, journals, research articles, and websites related to green marketing.

#### Review of Literature

##### 2024 – Sebastian & Joshy

This study examined consumer buying behavior towards eco-friendly products. The results showed that environmental awareness, product quality, and price influence consumers' decisions. It also found that demographic factors such as age and education affect green purchasing behavior.

##### 2023 – Bhardwajetal.

- The researchers conducted a bibliometric review of green marketing research from 2005–2022.

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- The study found that topics like sustainability, eco-friendly products, and ethical marketing have gained major attention in recent years.
- It concluded that businesses increasingly adopt green marketing strategies to meet consumer environmental expectations.

**2021 - Rawal & Aryal**

- This study focused on consumer awareness of green marketing and buying behavior.
- The findings showed that green promotion and information increase consumer awareness about environmentally friendly products.
- The study concluded that consumer awareness plays an important role in influencing green purchasing behavior.

**2019 - Joshi & Rahman**

- The study analyzed factors influencing consumers' green purchase behavior.
- It found that environmental concern, awareness, and attitude strongly influence consumers to buy eco-friendly products.
- The research concluded that consumers with higher environmental knowledge are more likely to support green marketing practices.

**Table 1: Impact of Green Marketing on Consumer Buying Behavior (2021-2025)**

Year	Consumer Awareness of Eco-Friendly Products (%)	Consumers Willing to Pay More for Green Products (%)	Influence of Green Marketing on Purchase Decision (%)	Consumer Trust in Sustainable Brands (%)	Key Trend
2021	60%	55%	45%	58%	Early growth in environmental awareness and green product demand
2022	64%	59%	50%	63%	Increase in eco-labels and green advertising
2023	68%	63%	56%	70%	Consumers actively researching sustainability claims
2024	72%	66%	61%	78%	Strong influence of eco-branding and sustainable packaging
2025	76%	70%	67%	82%	Green marketing significantly improves brand loyalty and buying intention

**Table:2 Financial statement of Green Marketing on Consumer Buying Behavior (2021-2025)**

Year	Global Green Marketing / Sustainability Market Value (USD Billion)	Growth Rate(%)	% Consumers Willing to Pay More for Eco-Friendly Products	Share of Sustainable Products in Market Growth (%)
2021	38	8%	55%	20%
2022	42	9%	58%	23%
2023	47	10%	60%	27%
2024	52	10.5%	62%	30%
2025	56.6	11%	60-65%	32%

**Financial Insights**

- The global green marketing market reached about USD 56.65 billion in 2025 and is expected to continue growing in the coming years.
- More than 60% of global consumers are willing to pay more for eco-friendly



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- products, showing strong financial potential for sustainable brands.
- Products marketed as sustainable account for 17% of market share but generate about 32% of total market growth, indicating higher profitability compared to conventional products.
  - Sustainable brands are growing about 5.6 times faster than traditional brands, highlighting the increasing financial impact of green marketing strategies

### Suggestions

- Companies should increase awareness about green products through marketing campaigns.
- Eco-friendly products should be priced reasonably to attract more consumers.
- Businesses should use clear eco-labels and certifications to build trust.
- Government and organizations should promote environmental education.
- Companies should adopt sustainable production and packaging practices.

### Result

- Consumers have moderate to high awareness about green marketing.
- Green marketing positively affects consumer buying behavior.
- Environmental concern motivates consumers to choose eco-friendly products.

- High price of green products is a major barrier.
- Trust in eco-labels and certifications influences purchasing decisions.

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