

Customer environmental satisfaction and loyalty in the consumption of green products

Abstract

This study aims to examine the mediating role of the customer environmental satisfaction in the effect of environmental friendliness of products and the company on customer loyalty in using green products in Malaysia. Structural equation modeling (SEM) analysis is performed to test the proposed hypotheses among 200 full time university students with purchasing experience at least once a week green products like organic vegetables. SEM results showed that customer environmental satisfaction significantly affected customer loyalty. This pair of relationships has the highest standardized beta coefficients, signifying the most important aspect of consideration by respondents among the rest of the proposed hypotheses. Next, customer environmental satisfaction partially mediated the relationship between environmental friendliness of products and customer loyalty in using green products. The results confirmed that customers are satisfied with their decision to purchase green products as they consume the least amount of resources and energy which results in minimum environmental damage and are also easy to recycle, disassemble, decompose, and reuse. Marketers should focus on creating effective marketing strategies and green promotional activities to attract customers for their green products. Marketers should control and enhance the quality of green products, as well as emphasizing their environmental satisfaction and increasing customer loyalty levels. This empirical study advanced marketers' and policy makers' understanding of the identification of customer environmental satisfaction as a mediator in the relationship between environmental friendliness of products and customer loyalty has been inspected in Malaysian context.