

THE ROLE OF GREEN MARKETING EFFECT, PRICE ON MILLENNIAL CONSUMERS GREEN PURCHASE BEHAVIOUR MEDIATED BY GREEN BRAND EQUITY

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ABSTRACT

Backgrounds: Price on the purchasing behavior of environmentally friendly products by millennial consumers in Malang, with green brand equity as a mediating variable. Green marketing involves product development and marketing strategies.

Purpose: This study aims to examine how green marketing and price affect the purchasing decisions of the millennial generation, with green brand equity as a mediating variable. Green marketing is currently a reliable driver of the development and desire for proper brand equity.

Design/methodology/approach: This study used a quantitative approach. Students in Malang who had utilized PT. Unilever home care products comprised the study population. Quota sampling was used in this investigation. In this study, questionnaires and literature reviews were used as data collection methods. PLS structural model analysis was also performed in this study using SmartPLS 4.0 software.

Findings/Result: This study found that positive price assessments and green marketing significantly impact millennial customers' decisions to purchase environmentally friendly products. Additionally, it has been shown that green brand equity plays a substantial mediating role in the interaction between price, green marketing, and customer purchasing decisions. Businesses must focus on green marketing strategies and build green brand equity to attract millennial consumers and increase the sales of eco-friendly products. Businesses that successfully apply this tactic can improve their competitiveness and support environmental sustainability.

Conclusion: This study shows that green marketing and positive price perception significantly influence millennials' green product purchasing decisions. In addition, green brand equity is an important mediator in the relationship between green marketing, price, and consumer purchasing decisions. Companies must focus on green marketing strategies and build green brand equity to attract millennial consumers and increase green product sales. Companies that successfully implement these strategies can gain competitive advantages and contribute to environmental sustainability.

Originality/value: This study examines the influence of green marketing and price on green purchase behavior among millennial consumers in Malang, with green brand equity as a mediating variable. These variables have been widely studied in sustainable marketing studies, but the combination of green marketing, price, and green brand equity simultaneously and in the context of local millennial demographics provides an opportunity for originality.

Keywords: green marketing, price affect, green brand equity, green purchase behaviour, environmental sustainability

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INTRODUCTION

Two of the 21st century's biggest problems are environmental degradation and global warming (Hadjichambis & Paraskeva-Hadjichambi, 2020). Numerous environmental organizations are emerging to promote and increase awareness of the need to protect the environment. Excessive consumption is one of the reasons for personal consumption and the main cause of environmental degradation (Yue et al. 2020), excessive consumption is the primary source of environmental deterioration and is one of the causes of personal consumption. Excessive consumption has long-term effects that can negatively affect consumers' well-being and quality of life, in addition to harming the environment. Consequently, several nations now stress the need to prevent hazardous activities and promote the purchase of eco-friendly goods (Solekah, Handriana, et al. 2020). Ultimately, environmentally conscious consumer behavior is a significant concern (Bator & Cialdini, 2000). Consumers today make better use of products. The millennial generation has created a large market. Most millennials nowadays have a positive attitude toward the environment and can afford to spend more on environmentally friendly products and services. The millennial generation is generally aware of environmental challenges (Schoolman et al. 2016) the millennial generation is generally knowledgeable about environmental issues. Because of its marketing appeal, the millennial generation has been a major focus of several marketing studies (Luna-Cortés et al. 2019; Pomarici & Vecchio, 2014). The characteristics of the millennial generation are significantly different and varied from those of previous generations (Gurău, 2012; Young & Hinesly, 2012). One alternative strategy that seeks to meet consumer needs and environmental sustainability is the green strategy (Genoveva & Samukti, 2020). Green marketing can improve a company's reputation and competitiveness (Manongko & Kambey, 2018). Promoting eco-friendly products is only one aspect of green marketing's scope and purpose; other elements and actions are also included to satisfy eco-friendly consumer needs (Bathmathan & Rajadurai, 2019). Depending on the potential size of the eco-friendly market and marketers' capacity to distinguish eco-friendly products, defensive or assertive tactics are employed (Davari & Strutton, 2014).

The practice of selling eco-friendly goods in a way that not only supports resource sustainability but also fosters a feeling of social responsibility is known as

"green marketing." Customers benefit from green marketing as a means of protecting the environment. Businesses consider sustainability and environmental challenges as part of their operations, in addition to revenues (Bozbura, 2007). The theory of Planned Behavior (TPB), first developed by Fishbein and Ajzen in 1975 and then again by Ajzen and Fishbein in 1980, is the subject of this study. This theory has been used in several studies, such as those that concentrate on purchasing environmentally friendly goods and practicing environmentally conscious behavior (Yadav & Pathak, 2016). The green industry in Indonesia offers prospects for businesses that will increase competition. Immawati et al. (2020) contend that businesses can gain a competitive edge by employing eco-friendly marketing techniques. This tactic is crucial for satisfying consumer demands and upholding corporate responsibility by preserving the long-term environmental and social advantages. Environmentally friendly systems have been swiftly embraced and integrated into corporate operations by several companies. Businesses now comprehend that using eco-friendly marketing can provide them with a competitive edge over their rivals and create good, eco-friendly value that is crucial for society (S. Widyastuti et al. 2019); (Arseculeratne & Yazdanifard, 2013). Modern industries use environmental responsibility and green marketing as all-encompassing tools to increase consumer awareness of sustainable products. This is a prospective strategy and opportunity that offers numerous advantages (multiplier effect) to society as a whole and the business sector, drawing customers to make purchases (Putripeni, 2014).

The purchasing decision stage of the decision-making process occurs when customers buy products (P. and L. K. Kotler, 2017). Consumers' interest in ecologically friendly products has grown in recent years, and they are now purchasing products with eco-friendly features. Numerous studies on the effect of green marketing on purchasing interest suggest that green products may inspire consumers to pay greater value or premium pricing and make repeat purchases (S.J. Widyastuti et al. 2019). Research indicates that environmentally friendly marketing positively affects consumers' purchasing decisions (Boztepe, 2011; Desanto et al. 2018; Sugi A & Khuzaini, 2017). A theoretical model of the growth of green brand equity was proposed to improve the company's competence in green marketing. Green brand equity, which is a collection of brand assets and liabilities linked to environmental awareness and green

commitment, can increase or decrease the value of a good or service (Atmoko & Setyawan, 2013). (Rahbar & Wahid, 2011) defined brand equity as the influence of brands on consumers' purchasing decisions.

Future trends toward eco-friendly products and the significance of brand equity point to areas for research on green brand equity (Saxena & Khandelwal, 2012). Products with high brand equity are those that frequently connect with customers (Yoo et al. 2000). According to some, using green marketing is an alternate strategy for boosting product brands intangible brand equity and giving them a competitive edge (Arseculeratne & Yazdanifard, 2013); (Chang & Chen, 2014). Creating eco-friendly products typically incurs a significant cost. Given the significant correlation between price and perceived product value, customers believe that environmentally friendly items come at a premium (Beneke et al. 2013). Customers' propensity to purchase increases with the quality of their perceived comparable price (Beneke et al. 2013). If the product is priced higher, customers will be prepared to pay more for it (Veisten, 2007). Given that price is a key component of the product (Yoo et al. 2000,), green customers' willingness to pay more for green products than for conventional ones is a measure of how they react to green marketing (Haytko & Matulich, 2008). Marketers are motivated to learn about consumer preferences for eco-friendly products because of their concerns about the environment, future generations, and responsibility. Environmentally conscious consumers are more likely to purchase eco-friendly products (Sinnappan & Rahman, 2011). It is anticipated that the green marketing idea will leave a favorable impression, impact consumer perceptions of the company, and stimulate brand-related purchase. Green marketing significantly influences customer purchase decisions (Mukaromah et al. 2019); (Hashim et al. 2019); (Kinasih et al. 2023; Solekah, Handriana, et al. 2020).

Consumers are not only changing their consumption patterns to be more environmentally friendly but are also asking companies to act in a more sustainable and environmentally responsible manner. Over the past few decades, the number of demands on businesses has increased, and some companies have contributed significantly to promoting sustainable consumption (Brozović et al. 2020). Companies play a significant role in developing and promoting the products we consume, thus contributing to shaping demand and

its associated impacts. Using green brand equity as a mediating variable, this study examines how pricing and green marketing affect millennials' purchase decisions. According to Banyte et al. (2010), green marketing is a dependable factor in the growth and sustainability of suitable brand equity. Environmentally conscious shoppers are concerned. Customers learn about the impact of eco-friendly advertising and the goods they buy (Delgado-Ballester & Munuera-Alemán, 2005); (Rahbar & Wahid, 2011). This study contributes novel insights by integrating green marketing and pricing strategies with green brand equity to explain the green purchase behavior of millennials.

This study aims to develop a comprehensive model, complement several studies, and explore the relationship between green marketing and customer purchase intentions through the theory of planning behavior by adding an intervention variable in the form of green brand equity. The purpose of this study is to analyze the relationship between green marketing, price, and green brand equity and green purchase behavior; price and green purchase behavior; green marketing and green purchase behavior with green brand equity as a mediating variable; and price and green purchase behavior with green brand equity as a mediating variable. It is hoped that this study will make a significant contribution to the advancement of marketing management science, particularly with regard to how green marketing tactics can influence consumers' decisions to buy. It is anticipated that these advantages will encourage initiatives to raise awareness of environmental issues.

METHODS

This study employed a quantitative methodology. The subjects of this study were respondents who used eco-friendly Unilever products. Students registered at Muhammadiyah University of Malang (UMM), Maulana Malik Ibrahim State Islamic University of Malang, Islamic University of Malang (UNISMA), and Raden Rahmat Islamic University (UNIRA) in Malang who used PT Home Care products participated in the study. Unilever. According to Malhotra, the number of samples is ascertained by taking them (Amirullah, 2014). Samples were gathered from the research population, which consisted of students from UNIRA, UNISMA, UMM, and UIN Malang. In this study, quota sampling was used. Quota sampling is a

sampling technique that first determines the number and certain characteristics of the targets that must be met (Sugiyono, 2012). The characteristics of the samples taken in this study are students at Islamic-based universities in Malang, namely UMM, UIN Malang, UNISMA, and UNIRA. From the description of sample determination suggested by Roscoe, the researcher determined the sample in this study with a total of 120 samples. This number of samples is suitable for use in research because it meets Roscoe's sampling criteria, which is between 30-500. The number of variables in this study was four. If 4 variables multiplied by 10 is the minimum number of the number studied, namely 40, then a sample of 120 is suitable for this study.

Original first-hand information gathered by researchers, especially for their studies, is referred to as primary data sources. Questionnaires are one of the research sources used in this study. In this study, the data analysis used was descriptive statistics and Partial Least Square SEM, which were intended to predict or develop existing theories. The descriptive method was used to obtain an accurate and detailed picture of the research objectives. A 5-point Likert scale was then used for Partial Least Square SEM data analysis to predict or develop existing theories. This study also conducted a PLS structural model analysis using the SmartPLS 4.0 software.

Green Marketing to Green Purchase Behavior

The phrase "green marketing" came about as a result of marketers' response to demonstrate their concern for the environment. Therefore, green marketing is employed as a different approach to improve a company's image and increase its business value. It is not only utilized as a tool for corporate commercialization; it also encourages changes in customer behavior about the use of the firm's products (Grant, 2007). Making judgments on what to buy requires knowledge of both the part that one plays in the process and the elements that impact the customer. Effective green marketing can have a significant impact. According to Manongko and Kambey (2018), green marketing can boost a company's competitiveness and enhance its reputation. Environmentally friendly items increase consumers' willingness to pay higher or premium prices and make repeat purchases, according to several studies on the impact of green marketing on purchasing interest (S. Widyastuti et al. 2019). According to research findings (Aprilia, 2023; Boztepe, 2011; Desanto et al. 2018;

Sugi A & Khuzaini, 2017), green marketing influences consumer choices favorably. Thus, the following theory can be put forth: H1: Green Marketing Affects Green Purchase Behavior

Price to Green Purchase Behavior

The price of a thing is the sum of money that is charged for it or the value that consumers exchange to benefit from utilizing it (P. and L. K. Kotler, 2017). Given that the majority of consumers have little money to spend and are becoming increasingly discerning about where they spend it, pricing is important. Price significantly influences purchasing decisions because it may indicate a product's quality. Customers are more likely to purchase if they believe that relative pricing is better (Beneke et al. 2013). If the product is supplied at a premium price, customers will be willing to pay more (Veisten, 2007). Price, quality, and brand are the most crucial considerations when making green purchasing decisions (Gan et al. 2008). Effectively managing the integration of price, quality, brand, and product performance is essential to encourage customers to make actual purchases (Sinnappan & Rahman, 2011). Given that the primary component of a product is its price (Yoo et al. 2000), green consumers' reactions to green marketing are demonstrated by their readiness to pay more for green products than for conventional ones (Haytko & Matulich, 2008). The study was published (Hidayati, 2021). concludes that the price variable has a major impact on decisions about what to buy. The following will happen if a hypothesis is put forth: H2: Price Affects Green Purchasing Behavior

Green Brand Equity Towards Green Purchase Behavior

Brand equity is the conduct or affiliation of brand customers, distribution channel participants, and businesses that give brands the chance to develop strength or durability, in addition to their unique advantages over rival brands. According to Karkoobi et al. (2018), brand equity is important from both business and customer perspectives. From the point of view of customer's perspective, brand equity can either raise or lower perceived value and offer better value to boost customers' trust in their choices. Experience using the product and familiarity with its features are the sources of this value. Chen (2010) offered a theoretical model on the development of green brand equity to increase business proficiency in green marketing. According to

Atmoko and Setyawan (2013), brand equity (Rahbar & Wahid, 2011) is the influence that brands have on consumers' purchasing decisions. Products with high brand equity are those that frequently connect with customers (Yoo et al. 2000). According to Arseculeratne and Yazdanifard (2013), Chang and Chen (2014), and others, using green marketing is an alternate strategy for boosting product brands' intangible brand equity and gaining a competitive edge. Brand equity also affects consumer choices. Thus, the following is the study's hypothesis: H3: Green Brand Equity Affects Green Purchase Behavior

Green Marketing to Green Purchase Behavior with Green Brand Equity as a Mediating Variable

Green marketing, according to Blackwell et al. in (Dharmesta, B. S., dan Handoko, 2010) is the process of meeting customer demands or wants in a way that maximizes resource utilization, generates profits, and maintains environmental sustainability. This is considered positive and can support the environment going forward if customers choose more environmentally friendly products when they shop. This contributes to the development of brand equity, which uses the environment to influence more people to purchase products. Consumers purchase a product at this stage of the decision-making process (P. and L. K. Kotler, 2017). In recent years, people have started to purchase products with ecologically friendly features and pay greater attention to them. Green products may encourage customers to pay higher value or premium pricing and make repeat purchases, according to several studies on the impact of green marketing on purchasing interest (A. N. Widyastuti et al. 2020). According to research findings, buying decisions are positively impacted by environmentally friendly marketing (Boztepe, 2011; Desanto et al. 2018; Sugi & Khuzaini, 2017). Similarly, Hidayati (2021) demonstrated that brand equity, a mediating variable, and purchasing decisions were significantly and positively impacted by the green marketing variable. The following will happen if a hypothesis is put forth: H4: Green Marketing has an effect on Green Purchase Behavior through Green Brand Equity

Price Against Green Purchase Behavior with Green Brand Equity as a Mediating Variable

Price is the main factor that determines the quality of a product (Dodds et al. 1991), and brand name strengthens the relationship between price and quality. This is referred to as the cost of eco-friendly goods (Weisstein et al. 2014). Customers' evaluation of relative pricing improves their inclination to purchase. If the product is supplied at a premium price, customers are willing to pay more (Beneke et al. 2013). Price, brand, and quality are considered the most crucial considerations for green buying (Gan et al. 2008). Price, quality, brand, and product performance must all be managed well to encourage people to make actual purchases (Sinnappan & Rahman, 2011). Given that the primary component of a product is its price (Yoo et al. 2000), green consumers' reactions to green marketing are demonstrated by their readiness to pay more for green products than for conventional ones (Haytko & Matulich, 2008). The impact of purchasing interest mediation on the relationship between pricing variables and purchase decisions has been demonstrated by research (Mirza et al. 2021). The following will happen if a hypothesis is put forth: H5: Price affects Green Purchase Behavior through Green Brand Equity

Strong green brand equity in its correlation will strengthen green purchase behavior as shown in Figure 1. The conceptual framework illustrated above shows the theoretical relationship between research variables, highlighting the direct and indirect effects of green marketing (X1) and green price (X2) on green purchase behavior (Y), with the image of green brand equity (Z) acting as a mediating variable.

RESULTS

The convergent validity of the measurement model can be assessed from the correlation between the instrument score and the construct score, namely the loading factor, with the criteria that the loading factor value for each instrument must be more than 0.7. Figure 2 shows the results of data processing, after eliminating several invalid instruments, the remaining instrument values have met the criteria with a value of more than 0.700.

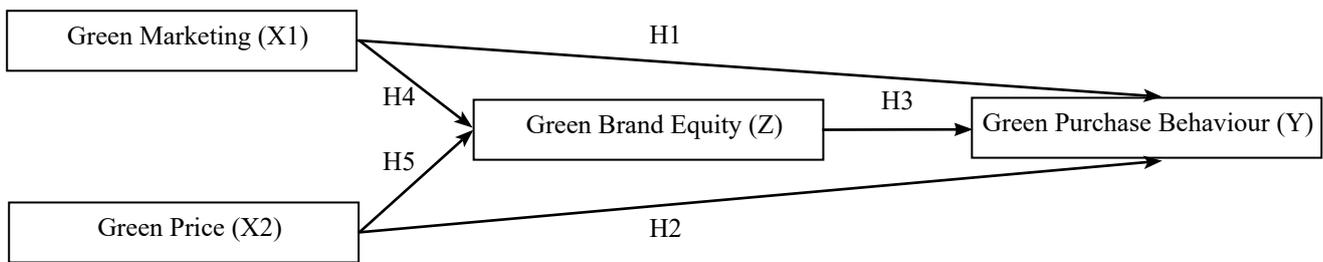


Figure 1. Conceptual framework

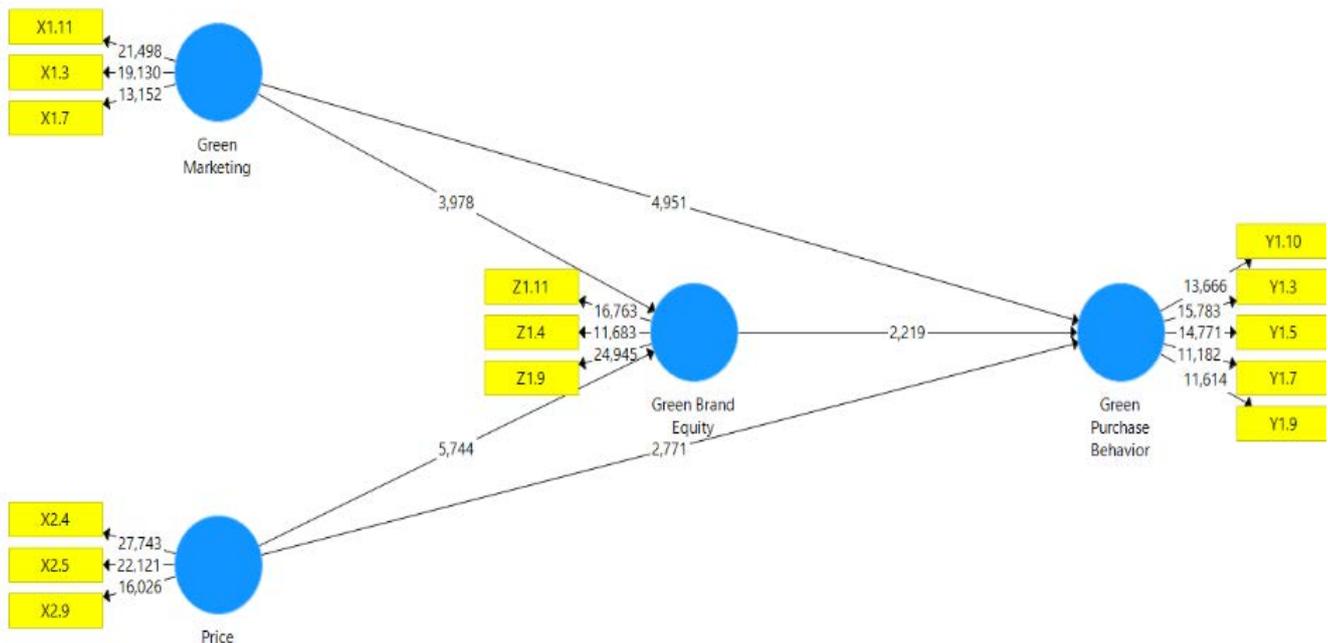


Figure 2. Convergent validity 1

Construct Reliability and Validity

The reliability of the research apparatus is demonstrated in Table 1 show the results of the reliability test using Cronbach's Alpha. 0.836, 0.735, and 0.783 are the Cronbach's Alpha values for the Green Brand Equity (Z), Green Price (X2), Green Marketing (X1), and Green Purchase Behavior (Y) variables, respectively. With a Cronbach's Alpha value of higher than 0.70 for each variable, it can be said that this research tool has good internal consistency and is reliable for measuring attributes related to green brand equity, green pricing, green marketing, and green buying behavior.

Green Brand Equity ($R^2 = 0.489$) shows that 48.9% of the variation in Green Brand Equity can be explained by the independent variables in the model based on table 2. Green purchase behaviour ($R^2 = 0.585$), This value indicates that 58.5% of the variation in Green Brand

Equity can be explained by the independent variables in the model. Using the criterion of (Hair et al. 2019) this number is in the moderate range. This illustrates the model's ability to explain the relationship between independent factors and Green Brand Equity. With an R^2 value in the moderate category, we can say that this model is quite good at explaining the relationship between the independent and dependent variables. This indicates that the combination of independent variables has a significant effect but does not fully explain the variability of the dependent variable.

The results of the structural model indicate that all proposed relationships are positive and statistically significant (Table 3). Green brand equity has a significant positive effect on green purchase behavior ($\beta = 0.204$; $T = 2.564$; $p < 0.05$), indicating that stronger perceptions of a brand's environmental value increase consumers' likelihood of engaging in green

purchasing. Green marketing significantly influences green brand equity ($\beta = 0.336$; $T = 3.851$; $p < 0.05$) and also has a strong direct effect on green purchase behavior ($\beta = 0.479$; $T = 5.128$; $p < 0.05$), suggesting that effective green marketing strategies play a crucial role in both strengthening brand equity and encouraging environmentally responsible purchasing decisions. In addition, green price significantly affects green brand equity ($\beta = 0.434$; $T = 7.096$; $p < 0.05$), demonstrating that appropriate green pricing enhances consumers' perceptions of a brand's environmental commitment. Green price also shows a significant positive impact on green purchase behavior ($\beta = 0.206$; $T = 2.535$; $p < 0.05$), although the effect is relatively moderate. Overall, these findings confirm that green marketing and green price contribute directly and indirectly, through green brand equity, to shaping green purchase behavior.

Green marketing and green purchase behavior

Green marketing and green purchase behavior have a reasonably significant positive impact on purchase intention. The practice of selling eco-friendly goods in a way that not only supports resource sustainability but also fosters a feeling of social responsibility is known as "green marketing." Customers benefit from green marketing as a means of protecting the environment. Businesses consider sustainability and environmental challenges as part of their operations, in addition to revenues (Bozbura, 2007). According to research findings supported by Boztepe (2011), Desanto et al. (2018), and SugiA and Khuzaini (2017), buying decisions are positively impacted by environmentally friendly marketing. A theoretical model of the development of green brand equity was proposed to increase the company's proficiency in green marketing. A product or service's value can be increased or decreased by its green brand equity, which is a collection of brand assets and liabilities associated with green commitment and environmental awareness (Atmoko & Setyawan, 2013). Rahbar and Wahid (2011) defined brand equity as the impact of brands on customer purchase decisions.

Table 1. Construct reliability and validity

	Crocbach's Alpha	rho_A	Compsote Reliability	Average Variance Extracted (AVE)
Average Green brand equity (Z)	0.773	0.777	0.868	0.687
Green marketing (X1)	0.783	0.784	0.874	0.698
Green purchase behavior (Y)	0.836	0.837	0.884	0.604
Green price (X2)	0.735	0.745	0.851	0.656

Table 2. R-Square Value

	R Square	R Square Adjusted
Green brand equity (Z)	0.489	0.481
Green purchase behavior (Y)	0.585	0.574

Table 3. Coefficients

	Original Sample	Sample Mean	Strandart Deviation	T Statistics	P Values
Green brand equity (Z) → green purchase behavior (Y)	0.204	0.201	0.080	2.564	0.012
Green marketing (X1) → green brand equity (Z)	0.336	0.361	0.095	3.851	0.000
Green marketing (X1) → green purchase behavior (Y)	0.479	0.468	0.093	5.128	0.000
Green price (X2) → green brand equity (Z)	0.434	0.442	0.061	7.096	0.000
Green price (X2) → green purchase behavior (Y)	0.206	0.211	0.081	2.535	0.013

Green Price and Green Purchase Behavior

Green prices moderately positively affect green buying practices and green purchasing behavior. The impact of green price on green purchase behavior was strong, albeit less so than that of green marketing, as indicated by the path coefficient value of 0.321 and the f^2 value of 0.10 (small effect). Price is the primary determinant of product quality (Dodds et al. 1991), and brand name increases the impact of price-quality perceptions. Therefore, buyers who desire quality begin to consider price when making selections about what to buy. Customers' propensity to purchase increases with a better perceived relative price (Beneke et al. 2013). Price, quality, and brand are considered the most important factors when making environmentally responsible purchases (Gan et al. 2008). To motivate customers to make real purchases, it is necessary to effectively manage the integration of price, quality, brand, and product performance (Sinnappan & Rahman, 2011). Given that price is a key component of the product (Yoo et al. 2000), green customers' willingness to pay more for green products than for conventional ones is a measure of how they react to green marketing (Haytko & Matulich, 2008).

Green brand equity and green buying behavior

Green brand equity influences green purchase behavior significantly correlated, despite the fact that the exact information regarding the route coefficient value is not provided explicitly. Given the importance of the concept and the anticipated shift in customer preferences toward eco-friendly products, green brand equity can be examined (Saxena & Khandelwal, 2012). Green brand equity is defined as a collection of brand assets and liabilities regarding environmental commitment and friendliness, which is associated with a company's name, symbols, and other components that either raise or lower the value that a good or service provides. Businesses need to employ efficient marketing techniques to increase brand value. According to some researchers, green marketing is a different tactic for offering product firms a competitive edge and increasing their intangible brand value. This finding is consistent with Arseculeratne and Yazdanifard (2013) and Chang and Chen (2014).

The Influence of Green Marketing on Green Purchase Behavior with Green Brand Equity as a Mediating Variable

The relationship between Green Marketing and Green Brand Equity is positive. The mediation effect through Green Brand Equity is also significant because the direct influence of Green Marketing on Green Purchase Behavior is significant, and the influence of Green Marketing on Green Purchase Behavior through Green Brand Equity is significant. Marketers are motivated to learn about consumer preferences for eco-friendly products because of their concerns about the environment, future generations, and responsibility. Environmentally conscious consumers are more likely to purchase eco-friendly products (Sinnappan & Rahman, 2011). It is anticipated that the green marketing idea will leave a favorable impression, impact consumer perceptions of the company, and stimulate brand-related purchase. Research has shown that green marketing significantly influences customer purchase decisions (Hashim et al. 2019; Mukaromah et al. 2019); (Kinasih et al. 2023; Solekah, Premananto, et al. 2020).

The Effect of Price on Green Purchase Behavior with Green Brand Equity as a Mediating Variable

Price is a determining factor in purchasing decisions (P. Kotler et al., 2014) found that consumers will purchase a product if the price is reasonable. Therefore, to increase purchasing decisions, companies pay attention to price after creating a positive brand image among consumers. Price is a primary indicator of product quality, and the brand name strengthens the influence of price-quality beliefs. The perceived price of environmentally friendly products is a consideration for consumers in considering the environmental values obtained if they decide to purchase (Wei et al. 2014). A better perception of relative price has a positive effect on consumer purchasing intentions (Beneke et al. 2013). Consumers are even willing to pay more to receive a premium price for a product (Veisten, 2007). In short, consumers are more likely to make a purchase when they perceive the price of a service or product to be reasonable. Price, quality, and brand are assumed to be the most important factors when making eco-friendly purchasing decisions (Gan et al. 2008). Therefore, the integration of price, quality, brand, and the high performance of the product itself must be well managed to encourage consumers to make actual purchase decisions (Sinnappan & Rahman,

2011). Price is a key element of eco-friendly consumers' response to eco-friendly marketing, as they are willing to pay a higher price for eco-friendly products than conventional products (Yoo et al. 2000); (Haytko & Matulich, 2008). Research (Almana & Mirza, 2013) shows the mediating effect of purchase intention on the relationship between price and purchasing decisions.

Managerial Implications

The managerial implication of this research is the development of an effective green marketing strategy. Companies should develop and optimize green marketing strategies to attract millennial consumers, who are increasingly concerned about environmental sustainability. This includes the use of eco-friendly labels, production processes with minimal environmental impact, and promotions that focus on the environmental benefits of the product. Interestingly, focusing on the eco-friendly advantages of a product can increase consumers' positive perceptions of the brand. Businesses can improve their competitiveness in a market that is becoming more environmentally conscious and support global sustainability goals by utilizing green marketing.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

This study investigates the impact of pricing and green marketing on millennial consumers' decisions to purchase eco-friendly products in Malang, with green brand equity serving as a mediating variable. The importance of green marketing, which involves developing environmentally friendly products and marketing strategies, is growing in the modern business environment. In addition to adding value to the company's image, it increases its competitiveness. The millennial generation, known for being highly environmentally sensitive, is more likely to recognize environmentally friendly products. Spending more money on products that support environmental sustainability is likely to occur. Customers' purchasing decisions are significantly influenced by price, product quality, and perceptions of brand equity. This study found that positive price assessments and green marketing significantly impact millennial customers' decisions to purchase environmentally friendly products. Additionally, it has been shown that green

brand equity plays a substantial mediating role in the interaction between price, green marketing, and customer purchasing decisions. Businesses must focus on green marketing strategies and build green brand equity to attract millennial consumers and increase the sales of eco-friendly products. Companies can boost their competitiveness and promote environmental sustainability by implementing this strategy effectively.

Recommendations

This study examines how green marketing and pricing affect millennial customers' decisions to buy green products in Malang, using green brand equity as a mediating factor. According to this study, purchase decisions for green products are significantly influenced by green marketing and favorable price perceptions. Additionally, green brand equity is crucial in mediating this relationship, suggesting that businesses can use green marketing techniques to improve their competitiveness and support environmental sustainability. Recommendations and suggestions for additional studies examining customer segmentation and demographics. Future research can broaden the focus to include older age groups or other demographic groupings, such as Generation Z, to observe variations in preferences for green marketing and the impact of price. Incorporating additional variables as moderators or mediators. Additionally, further research can contribute to the body of knowledge on green marketing and help businesses create more sustainable and successful marketing plans.

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