

Impact of Green Marketing Strategies on Business Performance in Hotel Industry

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ABSTRACT

Purpose: Service business firms like hotel industries have now paid their attention on its business activities by considering environmental friendly marketing activities called as green marketing strategies. Since previous findings of studies conducted in green marketing strategy and firm performance also vary this contradiction led to carry out a study on green marketing strategies and business performance in hotel industry in Ampara Coastal Belt of Sri Lanka. Objective of this study is to know the impact of green marketing strategies on business performance in hotel industry.

Methodology: This study undertook a systematic review of green marketing strategies and business performance and developed a research framework. This study is a survey method that used a questionnaire to collect data from a sample size of 121 hotel owners and hotel workers. Descriptive statistics were used to describe demographic variables of the sample respondents.

Findings: As per the results of correlation, 4 green Ps such as green product, green physical evidences, green people and green process of green marketing are having strong correlation with business performance. 3 green Ps such as green price, green place and green promotions are having low correlation with business performance. However, as per the regression analysis, all the 7 green Ps are influencing business performance of hotel industry to a greater extent.

Practical implications: Hotel industry needs to focus mainly on green product, green physical evidence, green people and green process of green marketing strategy for enhancing their business performance. Green customers do not prefer green price. Thus, hotel industry owners need to pay special attention on green pricing to convince green price.

Originality value: This study adds value to literatures in the field of green marketing. In addition, this study gives awareness to green marketing to service sector like hotels.

Keywords: *Green Marketing, Business Performance*