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Financial Aspects of Green Marketing Practices: An Investor's Perspective

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Abstract:

Environmental concerns are growing day by day, leading to the shift in preferences of individuals, hence the case of investors is not different. Although corporations are tirelessly working on contributing significantly to their communities and natural environments, but this could never be possible without the support of investors being the key stakeholders of those corporations. In this regard, this paper explores whether individual investors' green concerns influence their investment preferences. Employing AHP, ANOVA, Factor Analysis and Regression analysis, the study provides evidence that Pakistani investors are significantly concerned about their environment that is reflected in their corporate related preferences. Green marketing strategies are widely spreading across the globe, but the fact is these are not free of cost. Hence, corporations are also of concern that whether their investors support the cost incurred on such green marketing practices. The study highlights that although financial benefits are of greatest importance for investors, but they are happily willing to contribute to their environment, as it will help establishing a healthy globe for our coming generations. This study is a great contribution to the policy makers at organizational and government levels, so that they can design effective green strategies and green marketing practices to contribute positively to the communities and environment.

Keywords: *Investors, Green Preferences, Green Strategies, AHP, ANOVA, Factor Analysis*

1. Introduction

The products that are supposed to be environmental friendly, are known as green products. It includes a wide range of activities, like modifications in product design, its production processes, its packaging and labeling, also changes in product advertisements. All these activities lead organizations to opt the green marketing activities, so that the eco-friendly products can be promoted to the customers highlight their sustainable impact to the environment (Xu, She, Gao & Sun, 2023). Green marketing can be defined as the promotion of all such products that are friendly to their environment at each stage, either it's about their production or their sustainable

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impact on the environment after usage (Chen, Ramzan, Hafeez & Ullah, 2023). Some other terms used for green marketing are environmental marketing and ecological marketing (Xu et al., 2023; Rasheed, 2013). The basic purpose of green marketing is to incorporate environmental issues in marketing activities (Mngumi, Shaorong, Shair & Waqas, 2022; Rex & Baumann, 2007). Since last several years, environmental issues are under discussion by different entities, including media, businesses, political persons, and financial institutions, industrialists as well as sociologists and also by the general public. This discussion mainly focuses on the damaging effects caused by every day activities and products in the environment (Adekoya, Oliyide, Asl & Jalaifar, 2021; Saha & Darnton, 2005). Such concerns also attracted the attention of investors and other stakeholders to go for green products and to be focused on green marketing activities, to make their investments more eco-friendly (Xuan, Jiang & Fang, 2023; Rasheed, 2013).

Meanwhile, such concerns also compel businesses to go for green marketing and they are in a better position to adopt such practices as compared to traditional business practices. By doing so companies would be in a better position to reduce their impact on environment and can set benchmark and examples for other companies (Tufail, Songa & Khan, 2024; Woolverton & Dimitri, 2010).

Green marketing has an ideal relationship with stakeholder theory. Because stakeholder theory focuses on handling and examining all strategic issues related to its stakeholders and their interests, as environmental marketing provides a guideline for marketers to develop a green marketing strategy that satisfies goals of the organization and its stakeholders as well (Ahmad & Wu, 2022; Polonsky, 1995). Major stakeholders of any organization includes: its employees, suppliers, customers, investors, political groups, trade associations, communities, and Government (Ahmad & Wu, 2022; Donaldson & Preston, 1995). More or less all stakeholders are concerned about the financial outcomes of the organization, and cost of capital, returns on investments and cash flow effects are among the significant components of firm value that are impacted by the environmental disclosures of firm (Rasheed et al., 2021). That's why managers make such environmental disclosures, as these disclosures can alter market's perceptions about company. These varying perceptions cause a change in firms' value in terms of varying expectations of cash flows, returns and cost of capital (Bhattacharyya, 2022; Plumlee, et al., 2008).

It is found that improved environmental performance leads to an increase in revenues and reduction in costs incurred by the company, as well as enhanced financing by different stakeholders. Because by controlling pollution and other environmental impacts, companies are in a better position to improve the overall image or status of the company (Werikhe, 2022; Boltenko, 2011; Ambec & Lanoie, 2008).

Organizational green practices have become the talk of the town in different perspectives, but investors' perspective is rarely reported by the studies. Investors are among the key stakeholders that has keen interest in organization's financial aspects. Therefore their perspective matters a lot about organizations' such steps. Hence, the core aim of current study is to explore and highlight the investors' viewpoint about adoption of green practices by the organizations. Whether the investors find it financially feasible to go for green practices or these are just the obligations that the organization is compelled to adopt? What do they think about it? In this way, this study is a significant contribution to the knowledge of key policy and decision makers as well as to the literature of business studies. Moreover, employing the analytical hierarchal process (AHP) will be the empirical contribution to the literature.

2. Literature Review

2.1. Green marketing, green responsibility and financial performance

Environmental practices are quite difficult to implement. The most challenging task for policy makers is to maintain the balance between the cost effectiveness and the value maximization for the key stakeholders(Al Mamun, Boubaker & Nguyen, 2022; Jha, 1999). In fact they have to develop such policies that the adoption of green processes may justify smooth market functioning and the flow of investments by the investors. They are also compelled to encourage further financing through these proposed policies (Nathaniel, Nwulu & Bekun, 2021; Johnson & Lybecker, 2009).

Organizational green practices have become one of the important factors to be considered as organizational performance evaluation, as it has significant impact on overall image of the company in the market. Therefore, green marketing strategies are becoming more important to be considered as performance evaluation (Werikhe, 2022; Cronin, et. al., 2010; Rasheed et al., 2021a). When firm successfully implements any efficient green strategy, it results in improved managerial as well as organizational performance, which in turn cause a positive contribution in firms' financial outcomes through enhanced reputation and brand recognition (Yang, Jahanger & Hossain, 2023; Leite, 2010).

2.1.1. Eco-labeling

Eco labeling is considered as technical information about the product relating to green concerns and conveying this information through marketing (Yu, Nie & Jahanger, 2023; Rex & Baumann, 2007). Information about environmental features of products can be made more realistic and reliable through eco labeling (Ambec & Lanoie, 2008) Enhanced awareness through eco labeling would obviously result in

increased sale of these eco products (Zafar et al., 2019).

Due to the increased global environmental crisis, consumers are becoming more sensitive about green concerns. Also the number of customers, willing to support green products, is enhancing gradually. Even some consumers are also willing to pay more in order to support environmental causes (Woolverton & Dimitri, 2010). The enhanced apprehension of consumers and general public encourages stakeholders to be focused on adoption of eco-labeling to attract further market segments (Wang, Zhao & Zhang, 2022; Rasheed et al., 2022).

2.1.2. Green supply chains

In today's scenario, businesses are continually struggling to have competitive edge in both, at local as well as global levels. Thus by implementing green supply chains firms would be able to achieve significant cost savings, followed by increased sales, growing market share, and exploiting emerging market opportunities that lead to higher profit margins. All these result in enhanced economic/financial performance (Nathaniel et al., 2021; Rasheed et al., 2021b; Rao & Holt, 2005). It has been found that implementing green supply chain management practices results in a positive impact on environmental and financial performance (Chien & Shih, 2007), that leads to attracting stakeholders to focus and invest in such companies (Rasheed et al., 2022).

2.1.3. Environmental development

Green policy, changes the prices of green factors of production. But if firm makes investments in environmental research and developments, it would have a positive impact on business's financial performance (Yang et al., 2023; Lanoie, et. al., 2007). Philips Electronics made comparison between environmental and financial benefits, the results showed a win-win situation for the financial results of environmental product improvements (Al Mamun et al., 2022; De Caluwe, 2004). It may create a competitive advantage to make investments in environmental innovations. Evidently, if these innovations would be followed by green marketing strategies it would generate positive results for the company (Chen et al., 2023; Avagyan, et al., 2011).

Although environmental performance and economic performance are unrelated, but if good management is combined with efficient technology it would result in both better environmental and economic performance (Xuang et al., 2023; Telle, 2006).

2.1.4. Creating green awareness

Managers believe that environmental investments can enhance firms value, thus there is only a need to elaborate this value in such an impressive way that investors should be willing to make more investments in such activities (Ahmad et al., 2022;

Soyka & Feldman, 1998).

A study conducted on Pakistani consumers showed that whether Pakistani consumers have great exposure for print and broadcast media but TV advertisement are the most preferred one. So companies should include more and more green information about products while shaping green advertising strategies (Mngumi et al., 2022; Ahmad, Shah, & Ahmad, 2010). The core purpose of enhancing such green concerns is to attract stakeholders who are vigilant about their environment (Xu et al., 2023).

2.1.5. Environmental management

Environmental management is strongly associated with the financial performance of company. By achieving market gains and cost savings, environmental performance affects financial performance of the company. When these performances are disclosed for public, it alters investors' expectations about firm's future financial performance (Werikhe, 2022; Klassen & McLaughlin, 1996) . Firms that fails to implement environmental regulations or fail to undertake pollution preventive measures have to suffer a penalty on the particular day of such announcement (Wang et al., 2022; Arora, 2000).

Introduction of environmental management system into a company can create a competitive advantage for the company by optimizing its resources, improving corporate image or having compliance with legislation (Chen et al., 2023; Lu, Liu, Mohsin & Zhang, 2023).

2.2. Reason for going green

According to Bansal and Roth (2000) research on organizations and the natural environment discovered four motivating drivers of ecological responsiveness. These motives/drivers are ethical motives, pressure from stakeholders, economic or financial opportunities, and the law making bodies. Among all such drivers, pressure from stakeholders becomes extremely imperative as the organization could never take any step unless stakeholders' consent is not involved (Ahmad & Wu, 2022). Green practices outweigh conventional practices in many ways, including that these also reduce the cost of hiring labors (Adekoya et al., 2021). Because young and well educated workers are attracted towards organizations whose emissions would least affect its workers and the environment (Ambec & Lanoie, 2008; Rasheed, 2013).

2.2.1. Firm reputation

Firm reputation is an intangible asset that is associated with marketing and financial performance of the company (Tufail et al., 2024; Rasheed & Tahir, 2012; Miles & Covin, 2000). Individual investors consider financial performance as an in-

dicator of corporate reputation, similarly corporate success in any aspect contributes in creating corporate reputation including the non-financial items which incorporate commitments to ethical issues (Nathaniel et al., 2021; Helm, 2007).

2.2.2. Competitiveness and differentiation

Being competitive is one of the key factors of success in recent market scenarios. Through the amalgamation of environmental concerns with business affairs, companies can improve efficiency, promote innovations and create competitiveness while shrinking environmental impacts. The investigation found that impressive green marketing positively impacts firms' organizational performance that influence company's overall financial outcomes (Wang et al., 2022; Leite, 2010).

Green marketing can be the competitive edge only if while achieving the targets of being environmentally and socially responsive that company must also be able to maintain the long term profitability of the organization (Xu et al., 2023; Bansal & Roth, 2000). When businesses successfully meet environmental certification standards, they are also enabled to avoid the penalties, fines or any other legal costs associated with breach of green legislation (Smith & Perks, 2010).

Meanwhile, green products give an opportunity to the company to have a differentiation strategy so as to take advantage of the niches in eco-conscious market segments. Thus if company has to bear any extra cost for such green activities, this extra cost is transferred to the environmental conscious consumers who are willing to pay more for their environment (Werikhe, 2022; Ambec & Lanoie, 2008).

2.3. Green activities disclosures and stockholders

Stock prices reflect the financial performance of company, as stated by the efficient market hypothesis. Same goes with the stock prices reflecting the actual financial gains of green marketing activities of company (Klassen & McLaughlin, 1996). Therefore, polluting firms become unacceptable for investors hence facing declining stock prices, because ethical investment strategies change the risk taking behaviors (Chen et al., 2023; Heinkel, Kraus, & Zechner, 2001).

An event study conducted on the wealth effect of green marketing activities found that there are no significant stock price reactions for announcements related to green products, recycling efforts and appointments of environmental policy managers. But announcements related to green promotions faced a strong negative stock price reaction by investors. Which suggests that investors perceive green marketing promotional strategies as value destroying for firms (Khan, Chenggang, Hussain & Bano, 2019; Mathur & Mathur, 2000). On the other hand, Rao (1996) and investigated

the impact of announcements related to adverse pollution incidents of the firm on firms' equity value and found that the actual stock performance was lower than the expected market returns for such companies.

Reviewing all these previous studies it is found that company's green activities have a significant relation with its financial performance. But these are perceived differently by different investors. Some investors find these activities as value additions to the company's image leading to financial gains, while others think of it as a financial burden in terms of enhanced efforts for modified promotional activities (Ahmad & Wu, 2022). Therefore, it is necessary to study the perspectives of investors in different markets and this study is going to contribute significantly by exploring what do the Pakistani investors think about green practices adopted by organizations? The basic purpose of study is to explore the significance of green marketing for Pakistani investors. Whether they think it as a necessary element of business in Pakistan?

3. Methodology

Employing quantitative research approach by the use of structured questionnaire to collect the view point of Pakistani investors, current research explores the answers for purposed research questions by focusing and measuring two main aspects; investor's preferences for green activities and their preferences for company's financial aspects. The target population of current research is individual investors investing in public limited companies registered on Pakistan stock exchange. Using the random sampling techniques data is collected from investors from 5 different cities of Pakistan, including Multan, Karachi, Lahore, Islamabad and Bahawalpur. The questionnaire was disseminated through different brokers to their clients currently active in trading. 200 questionnaires were distributed, while 145 responded. Among these only 100 questionnaires were dully filled by the investors. Therefore, the final sample size for current research is 100. The type of questionnaire used is the Rating Scale and factors are measured at a given 5 point Likert scale.

4. Data Analysis

SPSS 16 is used to analyze the data. Data reduction technique is used to extract 3 constructs from investors' company related preferences and 3 from investors' green marketing preferences. For understanding of results, descriptive statistics are computed. Which show minimum, maximum, means and standard deviations of all 6 variables. Analytical Hierarchical Process (AHP) technique is applied to the means of all variables to find their weights. AHP is mostly employed by the organizations and individuals for ranking different alternatives to make decisions based on pairwise comparisons. Chi-square test is applied to find the association of variables. Analysis of

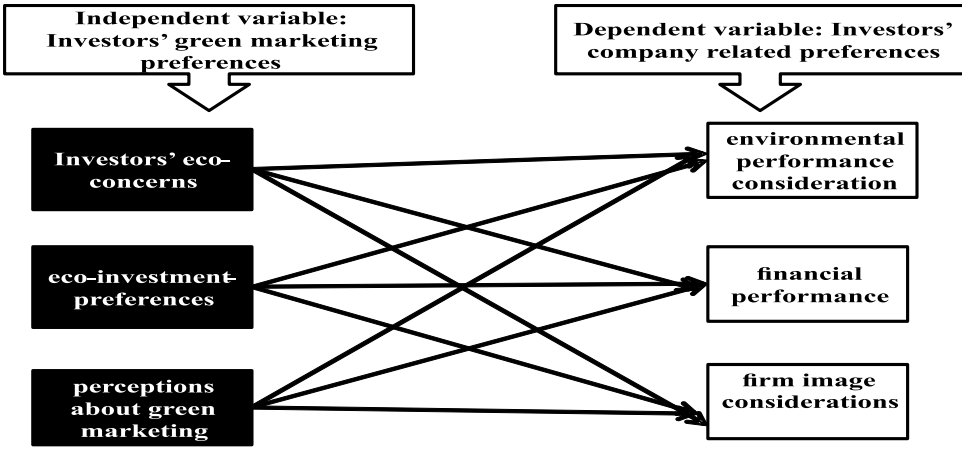


Figure 1: Model of Investors' Green Marketing Preferences and Its Impact on their Company Related Preferences

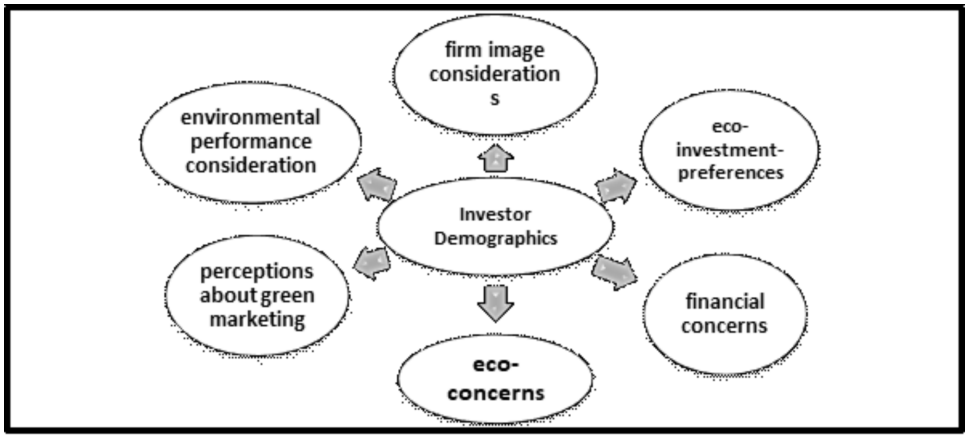


Figure 2: Model of Investors' Demographics and Their Relative Preferences

variance (ANOVA) is applied to find the mean differences between investors' demographics and different variables of study. Correlation is applied to see the significance of relationship among variables. Regression analysis is used to find an estimation of the linear relationship of a dependent variable with independent variables.

5. Results and Findings

5.1. Investor demographic profile

The analysis starts from the demographics of participants, which are as follows:

Table 1 indicates the demographics of the investors involved in current research.

Table 1: Investors' Demographics

Demographic	Categories	Frequency	Percent
Gender	Male	72	72.0
	Female	28	28.0
Education	Primary-middle	10	10.0
	Matriculation-Intermediate	36	36.0
	Bachelor-Masters	54	54.0
Income (annual)	500000-10 lac	15	15.0
	10 lac-20 lac	7	7.0
	Greater than 20 lac	16	16.0
Age	21-30 years	35	35.0
	31-40 years	43	43.0
	41-50 years	22	22.0
Employment Status	Self employed	42	42.0
	Salaried individual	47	47.0
	Business	11	11.0
Number of Stocks	1-2	47	47.0
	3-5	40	40.0
	6-10	13	13.0

The results indicate that majority of participants are males. More than 50% of participants are educated having bachelors and master degrees. The study involves investors from different income brackets and different age groups. Majority of investors hold diverse portfolios containing more than 2 stocks and they have different employment status majority belonging to the salaried class. The diversity of the participants of study facilitates collecting a diverse view point of individual investors about their green preferences.

5.2. Descriptive statistics

Factor analysis is used to extract 3 factors from investors' company related preferences and 3 from investors' green marketing preferences. These 6 factors are Environmental performance considerations (EPC), Firm image considerations (FIC), financial performance (FP), Investors-eco-concerns (IEC), Eco-investment-preferences (EIP) and Perceptions about green marketing (PGM).

Descriptive statistics showed that all mean values fall between ranges of 3.00 to

4.37. Which means all these variables are important to be considered for investors. Most of investors are agree that green marketing activities are important to be noticed by them, and they are concerned with their environment. Meanwhile, they also give importance to the company related preferences and among three company related preferences, financial performance is the most important one for investors.

5.3. Analytic hierarchy process (AHP)

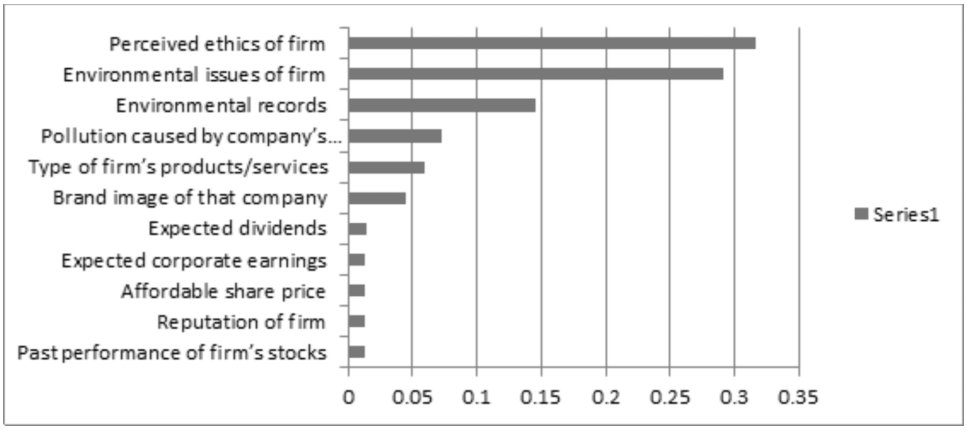
It is a structured technique to organize and analyze complex decisions. This technique is applied to the means of all variables to find their global weights. Based on the global weights, the variables are sequenced hierarchically, indicating the preference of investors given to each variable. These weights and the relevant hierarchy facilitates complex decision making that which factors should be or are preferred by the concerned stakeholders. These weights of variables under study are given below:

Table 2: Global Weights for Company Related Preferences

Variables	Global Weights
Past performance of firm's stocks	0.012708371
Reputation of firm	0.013702292
Affordable share price	0.013702292
Expected Corporate earnings	0.013702292
Expected dividends	0.014968115
Brand image of that company	0.045586264
Type of firm's products/services	0.059176549
Pollution caused by company's operations	0.07291407
Environmental records	0.14582814
Environmental issues of firm	0.29165679
Perceived ethics of firm	0.316053766

These weights are further explained by graphical representation.

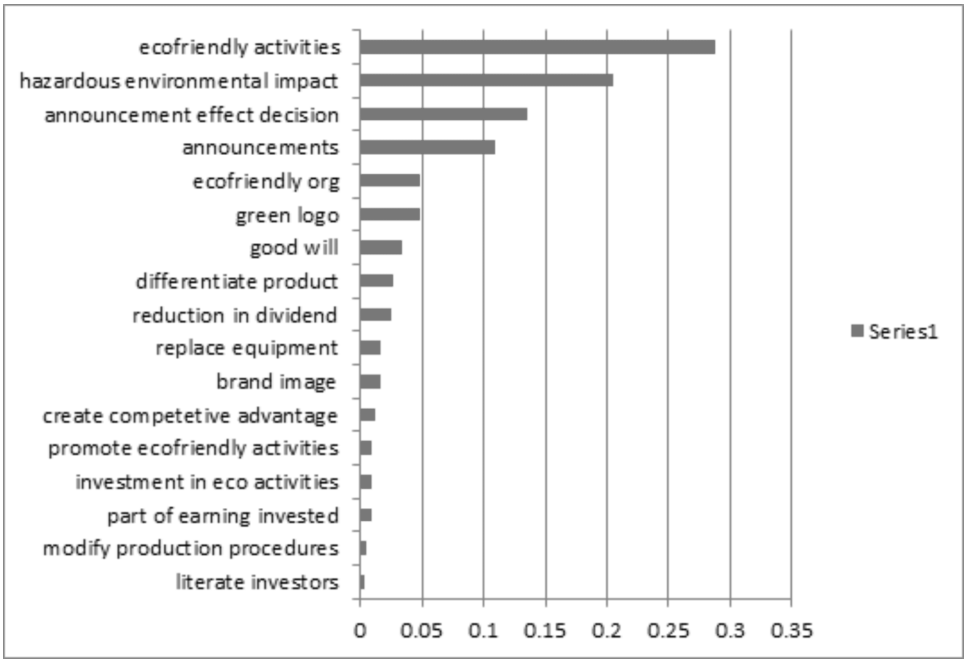
This graph shows the global weights for investors' company related preferences. Among all these we can see that variables related to ethics and environmental performances are having highest weights of more than 28%. While variables related to financial information are having lowest weights of less than 5%, indicating that in Pakistan investors are more concerned with company's environmental performance as compare to financial performance.



Graph 1: Weights for Company Related Preferences

Table 3: Global Weights for Green Marketing Preferences

Variables	Global Weights
literate investors	0.002754
modify production procedures	0.00422
part of earning invested	0.008986
investment in eco activities	0.009603
promote ecofriendly activities	0.00963
create competitive advantage	0.01251
brand image	0.015714
replace equipment	0.016008
reduction in dividend	0.024948
differentiate product	0.02644
good will	0.034053
green logo	0.04888
ecofriendly org	0.04888
announcements	0.109081
announcement effect decision	0.135777
hazardous environmental impact	0.204745
ecofriendly activities	0.28777



Graph 2: Weights of Green Marketing Preferences

Among investors' green marketing preferences, higher weights are for those which are related to investors' eco-concerns having weights of more than 20%. Thus these are the prominent factors that firms should retain in long run. While variables related to green announcements are having weights of 10%-15%, thus these are the supporting variables for firms. Which means green announcements have an impact on investors' perceptions. All other variables are having weights of less than 5%. Thus all these are the critical variables and companies should pay attention towards these variables to attract investors. These critical variables show that even investors' are concerned with environmental activities but still they have less preferences for eco-investments and they do not have any positive perceptions about intangible benefits gained from environmental marketing. Therefore, companies need to create awareness among investors about the intangible benefits gained from green marketing activities. When they will be well aware about these benefits they will also prefer to invest in green causes.

5.4. Chi-Square

Chi-square test is applied to find the association of each independent variable individually with each dependent variable one by one. Results showed that each independent variable is associated with each dependent variable.

5.5. Analysis of variance

Analysis of variance (ANOVA) is applied to find the mean differences between investors' demographics and different variables of study. And it was found that in Pakistan, investors green marketing preferences increases as they become more educated and when they grow old. While gender has no impact, male and female equally consider environmental concerns. Same is the case with investors' occupation and their income and investment ranges.

5.6. Correlation

Correlation is applied to see the significance of relationship of each variable with itself and with all other variables of study. Investors' company related preferences include three variables, firm-image-considerations (FIC), environmental-performance-considerations (EPC) and financial-concerns (FP). Three green marketing preferences related variables are investor-eco-concerns (IEC), eco-investment-preferences (EIP) and perceptions about green marketing (PGM).

Table 4: Correlation Coefficient between Investors' Company Related and Green Marketing Preferences

		IEC	EIP	PGM	FIC_	EPC	FP	overall
IEC	Pearson Correlation	1						
	Sig. (2-tailed)							
	N	100						
EIP	Pearson Correlation	.604	1					
	Sig. (2-tailed)	.000						
	N	100	100					
PGM	Pearson Correlation	.591	.607	1				
	Sig. (2-tailed)	.000	.000					
	N	100	100	100				
FIC	Pearson Correlation	.354	.334	.199	1			
	Sig. (2-tailed)	.000	.001	.047				
	N	100	100	100	100			
EPC	Pearson Correlation	.574	.482	.517	.399	1		
	Sig. (2-tailed)	.000	.000	.000	.000			
	N	100	100	100	100	100		

FP	Pearson Correlation	.009	.151	.156	.361	.310	1	
	Sig. (2-tailed)	.927	.135	.122	.000	.002		
	N	100	100	100	100	100	100	
Overall	Pearson Correlation	.767	.765	.740	.651	.791	.440	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	100	100	100	100	100	100	100

First, multi-colinearity problem is checked among all variables through Pearson correlation coefficient. Any correlation coefficient more than 0.7 leads to multi-colinearity problem, but results given in table 4 depict that there is no problem of multicolinearity among all these variables. Because all Pearson correlation coefficient values are less than 0.7 for all variables related to investors' company related preferences and their green marketing preferences.

The evaluation of the relationship of different variables indicates that IEC has a significant positive relationship with all other variables except with FP. Which means that investors' eco-concerns has an impact on their eco investment preferences, perceptions about green marketing, firm image considerations and environmental performance considerations, but have no impact on their financial performance. Same is the case with EIP and PGM. Both of these variables have significant positive relationship with all other variables except with FP. Which means that investors' eco-investment preferences and their perceptions about green marketing have no impact on their financial performance.

While FIC and EPC have significant positive relationship with all other variables of study. Which means that FIC and EPC has an impact on investors' green marketing preferences and their financial performance.

5.7. Regression analysis

Regression analysis gives us an estimation of the linear relationship of a dependent variable with one or more independent variables.

General structure for multiple linear regression equation is as given below:

$$Y_{ti} = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \ldots\ldots\ldots\ldots + B_K X_{Ki} + e_i$$

Where

Y_{ti} = dependent variable

β_0 = constant

β_1 = coefficients of first independent variable X_1

β_2 = coefficients of second independent variable X_2

β_n = coefficient of nth independent variable X_n

e_i = standard error, which shows the difference of predicted and actually observed values of Y.

Multiple linear regression results link investors' company related preferences (CRP) with investors' green marketing preferences (GMP). First regression equation is run taking firm-image-considerations (FIC) as dependent variable. Similarly environmental-performance-considerations (EPC) and financial-concerns (FP) are also taken as dependents one by one separately in second and third equations as well. Three independent variables are investor-eco-concerns (IEC), eco-investment-preferences (EIP) and perceptions about green marketing (PGM). All independent variables are taken together in each regression equation.

Table 5: Multiple Regression Results (Dependent: Firm-Image-Consideration)

	Beta	**t**	**Sig.**
Constant	2.10	4.781	.000
Investor-eco-concerns	.310	2.195	.031
Eco-investment-preferences	.271	1.796	.076
Perceptions about GM	-.115	-.820	.414
	D-W=1.684	R2 = 0.154	

Taking firm-image-consideration (FIC) as dependent and three independent variables, following equation is developed:

$$Y_{FIC} = \beta_0 + \beta_1 (IEC) + \beta_2 (EIP) + \beta_3 (PGM) + e_i \qquad (1)$$

Using SPSS ver-16 , results of equation (1) are given below:

$$Y_{FIC} = 2.10 + .310 (IEC) + .271 (EIP) - .115 (PGM) + e_i$$

These results show that FIC has a significant positive relationship with IEC. While PGM and EIP has no relation with FIC. Beta values indicate that 1 unit increase in IEC will cause .31 units increase in FIC.

Explanatory power of the model is 15.4%. D-W value for this model is 1.648, which falls under the region of no auto correlation. As all data has been collected from independent individuals separately so independence of data is also assumed.

Taking environmental-performance-consideration (EPC) as dependent and three independent variables, following equation is developed:

$$Y_{EPC} = \beta_0 + \beta_1 (IEC) + \beta_2 (EIP) + \beta_3 (PGM) + e_i \quad (1)$$

Using SPSS ver-16 , results of equation (1) are given below:

$$Y_{EPC} = .967 + .369 (IEC) + .132 (EIP) + .225 (PGM) + e_i$$

These results show that EPC has a positive relationship with IEC and PGM, while EIP has no impact on EPC. This shows that EPC increases with increasing IEC and PGM. According to relative units of each variable individually.

Explanatory power of the model is 38.6%. D-W value for this model is 1.696, which falls under the region of no auto correlation.

Table 6: Multiple Regression Results (Dependent: Environmental-Performance-Consideration)

	Beta	**t**	**Sig.**
Constant	.967	2.868	.005
Investor-eco-concerns	.369	3.408	.001
Eco-investment-preferences	.132	1.139	.258
Perceptions about GM	.225	2.091	.039
	D-W=1.696	R2=0.386	

Taking financial-concerns (FP) as dependent and three independent variables, following equation is developed:

$$Y_{FP} = \beta_0 + \beta_1 (IEC) + \beta_2 (EIP) + \beta_3 (PGM) + e_i \quad (1)$$

Using SPSS ver-16 , results of equation (1) are given below:

$$Y_{FP} = 3.675 -.147 (IEC) + .133 (EIP) + .130 (PGM) + e_i$$

These results show that FP has a no significant relationship with IEC, PGM and EIP.

Explanatory power of the model is only about 5%. D-W value for this model is 1.704, which falls under the region of no auto correlation.

Taking Company related preferences (CRP) as dependent and three independent variables, following equation is developed:

$$Y_{CRP} = \beta_0 + \beta_1 (IEC) + \beta_2 (EIP) + \beta_3 (PGM) + e_i \quad (1)$$

Table 7: Multiple Regression Results (Dependent: Financial-Concerns)

	Beta	t	Sig.
Constant	3.675	11.328	.000
Investor-eco-concerns	-.147	-1.410	.162
Eco-investment-preferences	.133	1.195	.235
Perceptions about GM	.130	1.259	.211
	D-W=1.704	R2=0.049	

Using SPSS ver-16 , results of equation (1) are given below:

Y_{CRP}= 2.248 +0.177 (IEC) + .179 (EIP) .080 (PGM) + e_i

These results show that CRP has a positive relationship with PGM and EIP, while having no relation with IEC. Beta values indicate that 1 unit increase in IEC will cause .177 units increase in CRP and 1 unit increase in EIP causes .179 units increase in EIP.

Explanatory power of the model is only about 25.1%. D-W value for this model is 1.704, which falls under the region of no auto correlation.

Table 8: Multiple Regression Results (Dependent: Company Related Preferences)

	Beta	t	Sig.
Constant	2.248	8.252	.000
Investor-eco-concerns	.177	2.027	.045
Eco-investment-preferences	.179	1.910	.059
Perceptions about GM	.080	.922	.359
	D-W=1.459	R2=0.251	

Coefficients of determination determines the percent of variance in dependent variables due to independent variables. Results from above three models are:

	Model 1	Model 2	Model 3	Model 4
R2	0.154	0.386	0.049	0.251

These results show that explanatory power of model 3 is lowest at about 5% while explanatory power of model 2 is greatest at 38.6%. Which means that model 3 has least explanatory power and model 2 has comparatively greater explanatory power.

The findings indicate that although investors are among the key stakeholders that have keen interest in the financial outcomes of the company, but meanwhile the

green concerns have grab their attention as well. Therefore, they are willing to consider green investments rather most of them prefer to make investments in companies that grab attention through their green practices and green marketing activities. These findings align with the findings of other recent studies (Yang et al., 2023; Zafar et al., 2019; Xuan et al., 2023; Xu et al., 2023; Pandey, Gupta & Bhattacharya, 2023) in the area of green finance that indicate a significant relationship with green initiatives of the companies with their financial outcomes, and mostly reporting positive impacts. Therefore, the findings indicate the increasing concerns of investors towards green practices.

6. Conclusion

Although green concerns have become the talk of the town, but investors' perspective in this regard is still an unexplored area. Green marketing is an emerging concept in all type of businesses across the globe. Enhanced global warning has compelled all stakeholders to focus on this aspect of businesses, therefore green marketing has become a significant part of everyday activities of the firms. But a fact is, companies have to bear cost to perform any type of green marketing activities. Following the Stakeholder theory, companies perform all activities in light of their stakeholders' benefits, it is assumed that company's stakeholders are concerned with the financial gains and losses through different valuable activities. So they are also concerned with the green marketing activities. The most concerned group is the investors of company due to their key stake in the financial gains and losses of the company. That's why green marketing activities have also become the part of their attention. Investors belonging to different countries have different view point about such type of activities. Some think of it as an additional burden in the form of modified operations of the businesses while others think it as a value addition, which leads to improved financial performance. Focusing on the perspectives of Pakistani investors the study concluded that investors' demographics have significant impact on their investment preferences, specially related to green marketing. Moreover, investors green marketing preferences have an impact on their environmental performance considerations and firm image considerations, while having no impact on their financial performance considerations. The findings indicate that Pakistani investors are conscious about their environment indicating that they are not only concerned for green activities but they are also willing to make investments in green causes and they prefer to invest in companies that are environmental friendly. Moreover, their level of concern enhances with enhanced qualification level, and found to be highly conscious in their growing ages. It is also found that investors who prefer green concerns not only prefer firm's image and its environmental performance meanwhile they are also focused on the financial performance of the company. So keeping in mind this important group of

stakeholders Pakistani companies should perform in environmental friendly ways, should have proper environmental management system and should also promote environmental causes through green marketing activities.

In light of all these findings, the study suggest valuable insights for the stakeholders, decision makers and even for policy makers in our economy. At organizational level, the key stake holders must adopt such activities and must justify the value addition of these activities, as satisfied stakeholders especially the investors can be the major contributors towards this change. Moreover, at national level the policy makers must design and implement such policies for businesses that green concerns must be the key focused area for all kinds of businesses. Although governments have started focusing on these aspects and have launched different financial programs as well to support such causes i.e. green credits, green investments etc. but the implementation of these activities must be bit simpler to adopt the change in an effortless manner. It is also suggested for future researches that investors' perspective must be explored in key green finance areas, so that the policies can be designed accordingly.

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