



## **Impact of Green Marketing on Eatery Businesses in Naga City**

**Mary Rose N. Andaluz, Portia Joy B. Aquino, Eleson E. Ganahan, Alliah Gail V. Nacion,  
Nico A. Ogarte, Regina Belle F. Sabas**

**Corresponding Author:** maryrose.andaluz@unc.edu.ph

### **Abstract:**

This study aims to determine the business profile of restaurant businesses in Naga City, the impact of green marketing along monthly sales, price, product, service; and if there is a significant correlation between green marketing and its impact to restaurant businesses. The mixed-method was used as the data gathering method, and weighted mean and ranking were used in interpreting the data. Pearson's correlation was used to determine if there is a correlation between green marketing practices and its impact on restaurant business. People are more likely to choose a restaurant that cares about the environment. When a place shows it's making an effort to be eco-friendly—whether by reducing waste, conserving energy, or using locally sourced ingredients it tends to create a positive impression and build trust with customers who are sustainable. These green practices don't just value making a restaurant look good; they also help keep things cleaner and safer. By focusing on environmentally responsible choices, restaurants can improve their sanitation, reduce the use of harmful chemicals, and ensure healthier food. Customers feel more confident knowing the establishment cares about their health and the planet. There was no significant correlation between green marketing practices and its impact on restaurant business.

### **Keywords:**

Impact, Green Marketing.

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## INTRODUCTION

Green Marketing is defined as “Marketing actions that target at minimizing the negative environmental and social implications of existing products and production systems, while simultaneously promoting products and services with a lower environmental impact” (Chung-li, 2023). It also refers to environmentally safe products and services. It incorporates product modification, changes to the production process, packaging, and advertising. In describing the same concept environmental marketing or ecological marketing are frequently used (Singh et. al., 2012).

In recent years companies learn to adapt to the changing preferences of consumers, the introduction of green marketing paves the way to more eco-friendly products and practices around the world. As Zufiqar& Shafaat (2015) points out that green marketing is a product development concept which aims to minimize hazardous raw material and energy waste and reduce environmental problems which in turn produce and create products that are safe and environmentally friendly, more companies are now on it. The increasing numbers of consumers who shift and patronize more on environmental products and services recognizes the company's effort to have more socially and environmentally conscious business practices. According to Brawijaya University from Indonesia, they concluded that the consumer perceptions of companies that used green marketing concepts have good results (Ajeng et. al., 2023). Eco-friendly products have become more essential to health-conscious consumers as they become more sensitive about nutrition, health and product quality (Willer et. al., 2020) making purchases and recommending brands that practice green marketing to their friends and families. Eco friendly products are now more preferred by such consumers rather than ordinary products.

The study that was conducted in the Philippines, the majority of the respondents in the University of Santo Tomas shows that most of the respondents are from millennials who have been observing food enterprises that have goals to make business environmentally friendly. As a result, businesses are switching to more environmentally friendly strategies and approaches in their corporate practices and business processes, which is why they are starting to incorporate green marketing into their operations (Lim et. al., 2022). By implementing alternative supplies, such as recycled bags, paper wrappers, indigenous materials for serving plates and utensils, have been used by restaurant owners (Abichuela, 2022). In the eyes of consumers, this will have a significant effect on an enterprise's reputation and is likely to reduce costs for raw materials. This may lead to a reduction in the cost of production and an increase in profitability.

The significance of this trend is so huge on the part of businesses most particularly with the food industry. With the use of green marketing, it is the most preferable way for food industries to attract and gain more customers especially in Naga City. The use of reduce, reuse and recycle gives more opportunities to maximize green marketing practices. This opportunity anticipates the business move to become a more sustainable future where brands start to prioritize more on green marketing activities as well how the customers become more

aware and conscious of the food they bought. Owners will have a great opportunity to truly understand what the consumers need and wants.

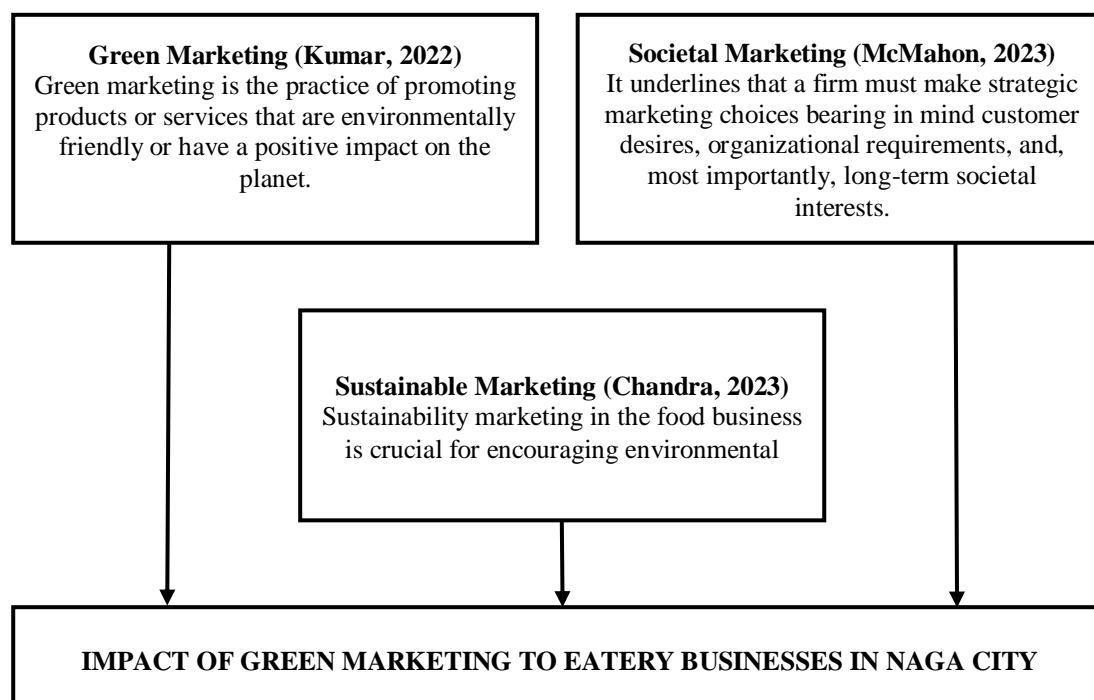
This study explored the benefits and practical applications of implementing green marketing in the food business industry in Naga City. It is also looking into how green marketing can help businesses connect with a global customer base that is becoming more and more aware of environmental issues. Ultimately, the results aimed to provide insights into the dual purpose of green marketing - promoting sustainable practices and meeting consumer expectations, thereby making it a key strategy for businesses in the food industry.

## Research Questions

Generally, this study focused on analyzing the impact of Green Marketing to Eatery Businesses in Naga City. Wherein, it specifically answered the following questions:

1. What are the impacts of green marketing practices along with the monthly sales, price, product, and services?
2. What are the challenges that business owners faced in implementing green marketing practices in relation to the operational costs, regulatory compliance, and customer attitude?
3. Is there a significant relationship between a company's business profile and the effectiveness of its green marketing strategies?
4. Is there a significant difference between the challenges faced among eatery and coffee shop owners in the implementation of green marketing?

## Theoretical Framework



*Figure 1. Theoretical Paradigm*

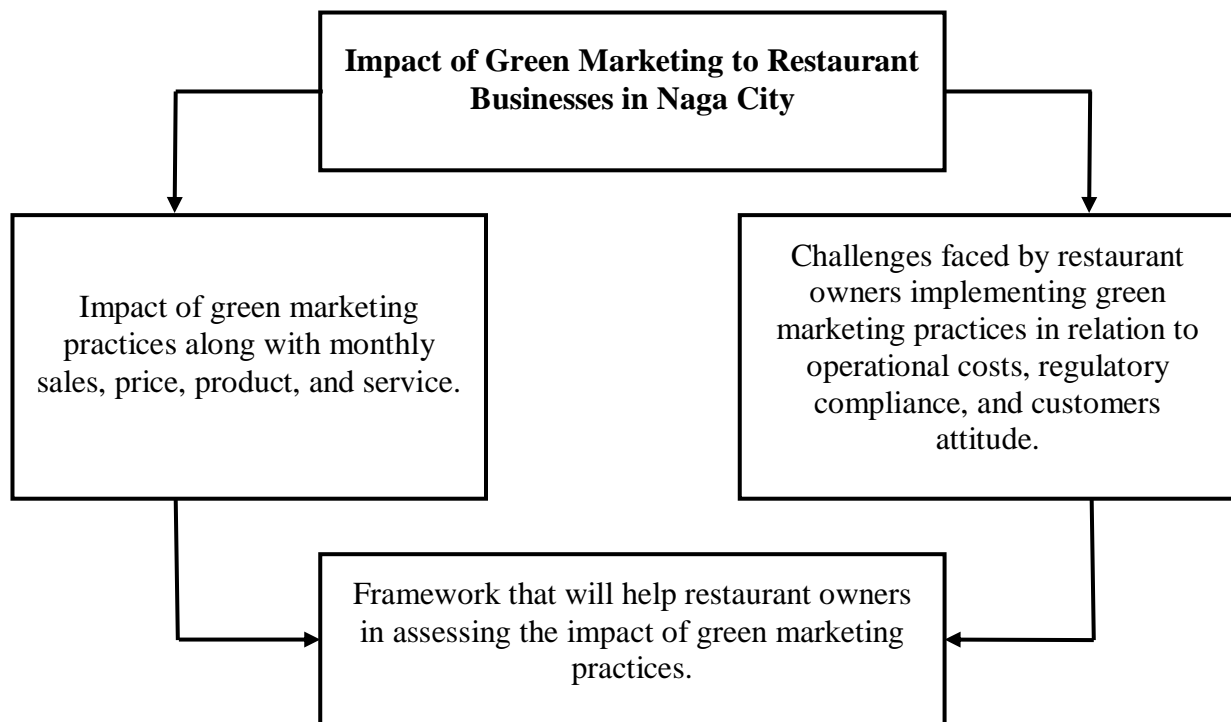
The figure above illustrates the relationship between green marketing practices and the food industry in Naga City, guided by three theories. Green Marketing Theory emphasizes integrating sustainability into marketing for long-term benefits (Kumar, 2022). Societal Marketing Theory highlights aligning business goals with societal welfare to promote eco-friendly practices (McMahon, 2023). Sustainable Marketing Theory focuses on environmental stewardship through practices like reducing waste and promoting local goods (Chandra, 2023). Together, these theories provide a framework for understanding green marketing's impact.

Green Marketing Theory, as described by Kumar (2022), focuses on promoting products and services that are environmentally friendly and have a positive impact on the planet. It integrates sustainability principles into marketing aspects such as product design, packaging, messaging, and promotion. While green marketing may require higher costs, its adoption can lead to long-term benefits, including improved consumer loyalty, enhanced brand reputation, and a significant positive environmental impact. This theory underscores the need for businesses to integrate sustainability into their strategies to remain competitive and relevant in the evolving market landscape.

Societal Marketing Theory emphasizes the importance of aligning business objectives with societal welfare. Rooted in the concept of long-term societal interests, this theory asserts that firms must consider consumer desires, organizational needs, and societal benefits when making marketing decisions (McMahon, 2023). By adopting societal marketing strategies, businesses can enhance their social responsibility, support sustainable and eco-friendly practices, and contribute to societal well-being, thereby fostering a positive image and achieving financial success. This approach encourages businesses to go beyond profit-making and play an active role in addressing environmental and social challenges.

Sustainable Marketing Theory, as articulated by Chandra (2023), highlights the critical role of environmental stewardship within the food industry and its impact on long-term business success. This theory encourages businesses to adopt practices such as promoting locally sourced, organic, and non-GMO products, reducing food waste through efficient inventory management, and maintaining transparency about their sustainability initiatives and progress. By implementing these eco-friendly strategies, businesses not only reduce their environmental footprint but also enhance their brand reputation. Companies that embrace these practices can effectively appeal to eco-conscious consumers, build trust, and foster customer loyalty while addressing broader sustainability challenges.

## Conceptual Framework



**Figure 2. Conceptual Paradigm**

Figure 2 illustrates the conceptual framework of this study, highlighting the relationship between green marketing practices and their impact on restaurant performance. The independent variable is the implementation of green marketing practices, focusing on factors like monthly sales, price, product, and service. These practices are assumed to significantly influence the dependent variables, which include operational costs, regulatory compliance, and customer attitudes.

## METHODS

**Table 1:** Demographic Profile of Eatery Industry in Naga City

Profile	F	%	Rank
<b>Location</b>			
Urban	24	80%	1
Rural	6	20%	2
<b>Total</b>	<b>30</b>	<b>100%</b>	
<b>Type of restaurant business</b>			
Eatery	20	66.7%	1
Coffee Shops	10	33.3%	2

<b>Total</b>	<b>30</b>	<b>100%</b>	
<b>Number of employee</b>			
1-2 employees	10	33.3%	2
3-5 employees	18	60%	1
More than 5 employees	2	6.7%	3
<b>Total</b>	<b>30</b>	<b>100%</b>	
<b>Years of operation</b>			
1 year	8	26.7%	2
2 - 3 years	11	36.7%	1
4 - 5 years	5	16.6%	4
More than 5 years	6	20%	3
<b>Total</b>	<b>30</b>	<b>100%</b>	
<b>Capitalization</b>			
Less than ₱500,000	20	66.7%	1
₱500,001 - ₱700,000	5	16.7%	2
₱700,001 - ₱800,000	0	0%	
₱800,001 - ₱900,000	1	3.3%	1.5
₱900,001 - 1,000,000	1	3.3%	1.5
₱1,000,001 - ₱2,000,000	1	3.3%	1.5
More than ₱3,000,000	2	6.7%	3
<b>Total</b>	<b>30</b>	<b>100%</b>	
<b>Green marketing practices</b>			
Bringing of own utensils	9	30%	6
Paper packaging	18	60%	2
Use of paper straw and paper cups	15	50%	4
Introduction of healthy menu	21	70%	1
Reducing water waste	11	36.7%	5
Use of energy efficient equipment	16	53.3%	3
Others	1	3.3%	7

## Research Methods

This study used both quantitative and qualitative research methods with a descriptive correlational research design. A mixed-method approach was used to determine the impact and challenges for restaurants in Naga City using a validated survey questionnaire with open-ended questions conducted through survey interviews. The descriptive correlational research design was used to examine the correlation between the business profile and the impact of

green marketing practices, particularly in ascertaining the challenges faced by eateries and coffee shop owners in the implementation of green marketing.

A survey letter was first distributed to address the security of the respondent's information to ensure confidentiality. The survey questionnaire is structured as a modified checklist with a 5-point Likert scale, indicating 1 as the highest and 5 as the lowest, also divided into three parts. The first part gathered business owners profiles; the second part is the impact of green marketing to the restaurant industry across monthly sales, price, product, and service parameters. The third part examines challenges faced by the owners who implement green marketing practices, specifically in operational costs, regulatory compliance, and customer attitudes. Respondents rated each factor on a scale from 1 to 5, with 5 indicating the highest level.

Descriptive statistics were used to analyze the data, having the weighted mean and rank to interpret the data regarding the challenges faced by restaurant owners in implementing green marketing (operational costs, regulatory compliance, and customers attitude) and the impacts of implementing green marketing practices to the owners (monthly sales, price, product, and service). Person's correlation were used to measure the direction of linear relationship between the business profile and the impact of green marketing practices together with the challenges faced among eatery and coffee shop owners in the implementation of green marketing.

### **Sampling Procedures**

This study selected a total of 30 food business owners or managers from small and medium food establishments in Naga City, including 20 from restaurants or any other food establishments and 10 from coffee shops. The participants were chosen using convenience purposive sampling, where individuals were selected based on availability and willingness, provided they met specific criteria (Nikolopoulou, 2023). Eligible respondents included food business owners or managers who had at least 3 to 5 years of experience in the industry. In case the owners or managers were unavailable, any employee who had been with the business for a significant duration could participate, ensuring that they had direct experience and knowledge of the operational and economic challenges the business faces.

Table 1 presents the business profile of restaurant establishments in Naga City. The majority of the restaurants (80%) are located in urban areas, while 20% are situated in rural areas. Among these establishments, eateries make up the largest share (66.7%), followed by coffee shops (33.3%). In terms of number of employees, most restaurants employ between 3 to 5 employees (60%), with only 6.7% employing more than 5 individuals. Regarding operational duration, 36.7% have been in business for 2 to 3 years, and 16.7% have been operating for 4 to 5 years. Capitalization indicates that 66.7% of restaurants have less than ₱500,000 in capital, while 6.7% require more than ₱3,000,000 for their operations. As for green marketing practices, the introduction of healthy menus is the most common practice



(70%), followed by the use of paper packaging (60%), while the practice of bringing your own utensils is less adopted, with only 30% of establishments implementing it.

## RESULTS AND DISCUSSIONS

### Impacts That Restaurant Owners have

The data on the impact of implementing green marketing practices by restaurant owners is presented in Tables 2.1 to 2.4. Statistical methods, including weighted mean and ranking, were used to analyze the data, offering a comprehensive view of how green marketing practices affect restaurant operations. This analysis seeks to identify the key areas where these practices have the greatest influence.

### Monthly Sales

Table 2.1 illustrates that the factors related to monthly sales were mostly regarded as "Impactful," with an overall average mean of 3.90. Among the five parameters, "Eco-friendly image boosts customer perception, driving sales" received the highest ranking with a mean of 4.30, while "Offering discounts for reusable containers has increased sales without affecting pricing integrity" ranked fifth with a mean of 3.50, both categorized as "Impactful."

The findings show that an eco-friendly image significantly enhances customer perception and drives sales, as more consumers prioritize sustainability and seek businesses that align with their values. Businesses that demonstrate genuine care for the environment through visible and consistent initiatives tend to attract loyal and environmentally conscious customers. Offering incentives, such as discounts for reusable containers, can encourage sustainable behavior; however, these efforts may have less impact due to the perceived inconvenience for some customers who prefer single-use options for their ease and practicality. To maximize effectiveness, businesses need to balance sustainability efforts with customer convenience and preferences.



**Table 2.1**

Impacts that restaurant owners have in terms of Monthly Sales

Parameters	Mean	Rank	Interpretation
Using green products increases profits by cutting costs	3.66	4	I
Eco-friendly image boosts customer perception, driving sales	4.30	1	I
The promotion of sustainable practices drives sales growth	4.16	2	I
Positively influenced customer perceptions, leading to higher sales	3.90	3	I
Offering discounts for reusable containers has increased sales without affecting pricing integrity	3.50	5	I
<b>Overall Mean</b>	<b>3.90</b>		<b>I</b>

*Note:* 4.50-5.00 – Highly Impactful (HI); 3.50-4.49 – Impactful (I); 2.50- 3.49 - Moderate Impact (MI); 1.51-2.49 – Low Impactful (LI); 1.00-1.50 – Negligible Impact (NI)

These results align with Gelderman's (2021) study, which found that eco-friendly marketing boosts customer satisfaction and loyalty. Restaurants should expand their eco-friendly practices to strengthen their image, attract sustainability-focused customers, and increase sales. Additionally, adopting more green initiatives can enhance a restaurant's reputation, making it more appealing to environmentally conscious diners.

## Price

Table 2.2 highlights the parameters under price, with an overall mean of 3.74, interpreted as "Impactful." Among the parameters, "offering competitive and affordable prices to customers" ranked first with a mean of 4.10, while "prices of the products are slightly higher" ranked fifth with a mean of 3.60, interpreted as having a "Moderate Impact."

**Table 2.2**

Impacts that restaurant owners have in terms of Price

Parameters	Mean	Rank	Interpretation
Prices of the products are slightly higher	3.60	5	MI
Offers promotions and discounts for customers using reusable utensils	3.63	4	MI
Offer competitive and affordable prices to customers	4.10	1	I
Premium prices for eco-friendly menu items	3.66	3	I
Eco-friendly image boosts customer perception, driving sales	3.70	2	I
<b>Overall Mean</b>	<b>3.74</b>		<b>I</b>

*Note:* 4.50-5.00 – Highly Impactful (HI); 3.50-4.49 – Impactful (I); 2.50- 3.49 - Moderate Impact (MI); 1.51- 2.49 – Low Impactful (LI); 1.00-1.50 – Negligible Impact (NI)

The findings emphasize the need to balance affordability with eco-friendly initiatives to attract and retain customers in a highly competitive market. Businesses focusing on competitive pricing can foster loyalty by meeting customer expectations for value, while eco-friendly promotions, though highly valued by environmentally conscious consumers, may need to be carefully integrated to avoid negatively impacting customer satisfaction and perceptions of affordability. Striking the right balance between sustainability and cost-effectiveness allows businesses to appeal to a broader customer base while maintaining profitability and addressing environmental concerns.

This aligns with Nadaf and Nadaf's (2014) research, which highlights that green marketing often involves higher costs due to renewable and recyclable materials, affecting pricing strategies. Businesses must navigate these challenges by balancing sustainable practices with competitive pricing to meet consumer expectations and maintain market appeal.

## Product

Table 2.3 presents the parameters under product, with an overall mean of 3.86, interpreted as "Impactful." Among the parameters, "introducing innovative menu items and new dishes to enhance the dining experience" ranked first, with a mean of 4.0, also interpreted as "Impactful." Meanwhile, "using local organic ingredients to enhance quality and attract health-conscious customers" ranked fifth, with a mean of 3.76, maintaining the same interpretation of "Impactful."

**Table 2.3**

Impacts that restaurant owners have in terms of Price

Parameters	Mean	Rank	Interpretation
Compostable takeaway packaging has reduced waste and improved the brand's eco-friendly image	3.90	2	I
Local, organic ingredients enhance quality and attract health-conscious customers	3.76	5	I
Introducing innovative menu items and new dishes to enhance the dining experience	4.00	1	I
Attract environmentally conscious customers, expanding the market	3.80	4	I
Introducing a healthy menu option attracts health-conscious customers	3.86	3	I
<b>Overall Mean</b>	<b>3.86</b>		<b>I</b>

*Note:* 4.50-5.00 – Highly Impactful (HI); 3.50-4.49 – Impactful (I); 2.50- 3.49 - Moderate Impact (MI); 1.51-2.49 – Low Impactful (LI); 1.00-1.50 – Negligible Impact (NI)

Innovation in product offerings has a stronger impact on customer satisfaction than traditional attributes like using local organic ingredients. Unique and exciting menu options create memorable experiences, foster loyalty, and encourage word-of-mouth recommendations, setting brands apart. While quality and sustainability are valued, purchasing decisions often hinge on practicality and affordability, making creativity and innovation more influential in enhancing customer engagement.

Restaurants focusing on innovation are better positioned to stand out in a competitive market by offering unique, sustainable, and high-quality dining experiences that appeal to modern consumers. The findings align with Aschemann-Witzel (2021), who highlighted the food sector's shift towards sustainability and the growing need for a food system that balances innovation, nutrition, and resource efficiency. Embracing innovative practices, such as incorporating plant-based alternatives, reducing food waste, and utilizing eco-friendly packaging, allows restaurants to meet evolving customer demands while contributing to environmental conservation and long-term business success.

## Service

Table 2.4 presents the parameters under service with an overall average mean of 4.05, interpreted as "Impactful". "Maintaining clean workspaces ensures product safety and quality" ranks highest with a mean of 4.26. While the lowest rank is "consistent staff training to deliver high quality service" with a mean of 3.93, also interpreted as "Impactful."

Ensuring the quality and safety of food products plays a crucial role in retaining customer loyalty, primarily by providing immediate satisfaction. When customers receive safe, high-quality orders, it enhances their dining experience and leaves a positive impression, increasing the likelihood of their return. This efficiency also gives restaurants a competitive edge in a crowded market, attracting customers who prioritize food safety and quality. On the other hand, consistent staff training, though important for maintaining high service standards, may have less immediate impact, as its benefits are not as readily apparent to customers.

**Table 2.4**

Impacts that restaurant owners have in terms of Service

Parameters	Mean	Rank	Interpretation
Maintaining clean workspaces ensures product safety and quality	4.26	1	I
Quick order processing and smooth peak-hour flow retain customer loyalty	4.00	2	I
Consistent staff training to deliver high-quality service	3.93	5	I
Personalized, attentive service boosts repeat visits and word-of-mouth referrals	4.03	1.5	I
Improved customer perception, leading to higher satisfaction and loyalty	4.03	1.5	I
<b>Overall Mean</b>	<b>4.05</b>		<b>I</b>

*Note:* 4.50-5.00 – Highly Impactful (HI); 3.50-4.49 – Impactful (I); 2.50-3.49 - Moderate Impact (MI); 1.51-2.49 – Low Impactful (LI); 1.00-1.50 – Negligible Impact (NI)

Good service quality boosts customer satisfaction (Amalia, 2021), especially when it comes to serving safe and quality foods. When customers know that their food is safe and indeed quality, they feel satisfied, which makes their dining experience better and encourages them to come back. This service not only meets what customers expect but also helps keep them loyal, as happy customers are more likely to return. In a busy market, cleanliness and keeping their food quality somehow are set aside, so it attracts those who value the safety and quality of their foods.

### Summary of The Impact Of Green Marketing Practices

Table 2.5 summarized the impact of green marketing practices to the restaurant businesses in Naga City. Among the parameters, “Service” ranked the highest with a mean of 4.05, followed by “Monthly Sales” with a mean of 3.9, “Product” with a mean of 3.86, and “Price” with a mean of 3.73. All of these were interpreted as “Impactful.”

**Table 2.5**

Summary of the Impact Of Green Marketing Practices

Parameters	Mean	Rank	Interpretation
Monthly Sales	3.90	2	I
Price	3.73	4	I
Product	3.86	3	I
Service	4.05	1	I
<b>Overall Mean</b>	<b>3.88</b>		<b>I</b>

*Note:* 4.50-5.00 – Highly Impactful (HI); 3.50-4.49 – Impactful (I); 2.50-3.49 - Moderate Impact (MI); 1.51-2.49 – Low Impactful (LI); 1.00-1.50 – Negligible Impact (NI)

The findings support the importance of providing excellent service, aligning with industry insights that highlight how service quality drives customer satisfaction, fosters loyalty, and enhances the overall dining experience. Consistently delivering exceptional service not only meets customer expectations but also differentiates businesses in a competitive market, leading to repeat visits, positive word-of-mouth, and long-term success.

The low-price score suggests that pricing issues could hinder competitiveness and diminish customers' perceived value, ultimately impacting their purchasing decisions and possibly affecting customer loyalty (Runst&Thomä, 2021). This connection between price and service quality underscores the need for a balanced approach, where both factors are optimized to enhance business performance and customer satisfaction. A strategic pricing model that aligns with customers' expectations, while maintaining high service standards, can help businesses differentiate themselves, strengthen their market position, and ensure long-term success.

### **Challenges of Restaurant Owners**

The challenges faced by restaurant owners in implementing green marketing practices were outlined in Tables 3.1 to 3.3. Statistical methods such as weighted mean and ranking were applied to assess key areas such as operational costs, regulatory compliance, and customer attitudes.

### **Operational Costs**

Table 3.1 highlights the parameter under operational costs, the overall mean is 3.43, interpreted as “Challenging”. The highest rank is “ongoing expenses for supplies and equipment maintenance” with a mean of 3.16, while the lowest rank is “training staff on sustainability” with a mean of 3.16, interpreted as “Moderately Challenging.”

**Table 3.1**

Challenges of restaurant owners in terms of Operational Costs

Parameters	Mean	Rank	Interpretation
Eco-friendly materials cost more, straining restaurant budgets	3.33	4	MC
Outsourcing eco-friendly and sustainable ingredients increases expenses	3.43	3	MC
Meeting green certification standards incurs fees, raising operational costs	3.60	2	C
Training staff on sustainability adds costs for education and implementation	3.16	5	MC
Green practices require ongoing expenses for supplies and equipment maintenance	3.66	1	C
<b>Overall Mean</b>	<b>3.43</b>		<b>MC</b>

*Note:* 4.50-5.00 – Very Challenging (VC); 3.50-4.49 – Challenging (C); 2.50-3.49 - Moderately Challenging (MC); 1.51-2.49 – Slightly Challenging (SC); 1.00-1.50 – Not Challenging (NC)

The findings suggest that the challenges restaurant owners face regarding operational costs are significant, especially concerning the ongoing expenses tied to implementing and maintaining green practices. The need for continuous supplies, such as eco-friendly packaging and ingredients, along with regular equipment maintenance related to sustainability, often requires higher upfront investments in eco-friendly materials and technologies. These initial costs can place a considerable strain on a restaurant's budget, creating financial pressures that may make it difficult for businesses to balance sustainability efforts with profitability.

The data supports that the use of green products and renewable materials incurs higher costs than traditional options, as noted by Nadaf and Nadaf (2014). However, these costs can be mitigated as eco-conscious customers are often willing to pay a premium for sustainable offerings, ultimately helping offset the higher expenses.

### Regulatory Compliance

The table 3.2 shows the parameter under regulatory compliance the overall mean score is 3.27, which is interpreted as “Moderately Challenging.” The parameter that ranks highest is “investing time and resources to meet diverse certification standards” with a mean of 3.40, while “practice of a clean and healthy environment for food preparations” ranks lowest with a mean of 3.10, also interpreted as “Moderately Challenging.”

Allocating time and resources to meet green marketing certification requirements can be more challenging for restaurant owners, as it demands strict adherence to regulations and environmental standards. Ensuring that food is prepared in a safe, clean environment is a fundamental requirement for all food businesses, and while both food safety and green

marketing compliance are important, the ongoing investment in certification can feel overwhelming.

**Table 3.2**

Challenges of restaurant owners in terms of Regulatory Compliance

Parameters	Mean	Rank	Interpretation
Navigate green practices with regulatory compliance	3.23	4	MC
Ensuring compliance with food safety standards like HACCP (Hazard Analysis Critical Control Point)	3.26	3	MC
Handling regulations, such as food safety standards, and labor requirements, to ensure continuous compliance	3.36	2	MC
Invests time and resources to meet diverse certification standards	3.40	1	MC
Practice of clean and healthy environment for food preparations	3.10	5	MC
<b>Overall Mean</b>	<b>3.27</b>		<b>MC</b>

*Note:* 4.50-5.00 – Very Challenging (VC); 3.50-4.49 – Challenging (C); 2.50-3.49 - Moderately Challenging (MC); 1.51-2.49 – Slightly Challenging (SC); 1.00-1.50 – Not Challenging (NC)

Rustia (2021) emphasizes the importance of food safety regulations to protect consumers from health risks, and consistent staff training on food safety can reduce the risk of foodborne illnesses. By focusing on hygiene and sanitation, restaurants can not only protect their customers but also enhance their reputation and long-term success.

### Customers Attitude

The table 3.3 shows the results or parameters under customers attitude with an overall mean of 3.15 which is interpreted as “Moderately Challenging.” The highest-ranking aspects are “customers appreciate the unique flavors and satisfaction of green options alongside traditional dishes,” got a mean score of 3.30, interpreted as “Moderately Challenging,” while “customers seek assurance on the authenticity of eco-friendly claims” ranks lowest with a mean score of 3.03, also interpreted as “Moderately Challenging.”

**Table 3.3**

Challenges of restaurant owners in terms of Customers Attitude

Parameters	Mean	Rank	Interpretation
Customers appreciate green options despite cost or convenience concerns	3.10	4	MC
Customers prioritize convenience while increasingly valuing eco-friendly options	3.13	3	MC
Customers are becoming more aware and	3.20	2	MC



understanding of green options

Customers seek assurance on the authenticity of eco-friendly claims	3.03	5	MC
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Customers appreciate the unique flavors and satisfaction of green options alongside traditional dishes	3.30	1	MC
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<b>Overall Mean</b>	<b>3.15</b>		<b>MC</b>
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*Note:* 4.50-5.00 – Very Challenging (VC); 3.50-4.49 – Challenging (C); 2.50-3.49 - Moderately Challenging (MC); 1.51-2.49 – Slightly Challenging (SC); 1.00-1.50 – Not Challenging (NC)

Customers are increasingly interested in unique flavors, with many looking for greener options alongside traditional dishes. However, restaurant owners face the challenge of not only offering sustainable choices but also convincing customers of their authenticity. Some customers may appreciate the eco-friendly options, but their preference for traditional flavors makes it harder to shift their interest completely.

The results align with Zeynalova's (2022) study, which suggests that restaurant owners can attract more customers by aligning their green marketing strategies with consumer preferences. This approach helps businesses tailor their offerings to meet the demands of environmentally conscious consumers, leading to increased sales and improved customer satisfaction and loyalty.

### Summary of the Challenges Faced By Implementing Green Marketing Practices

Table 3.4 summarizes the challenges faced by restaurant owners in implementing green marketing practices, focusing on operational costs, regulatory compliance, and customer attitudes. Among the three parameters, "Operational Costs" achieved the highest mean score of 3.43, indicating that it is the least challenging of the three. "Customer Attitude," with a mean score of 3.15, was ranked the lowest, suggesting that while it is perceived as the least challenging, there may still be areas for improvement. The overall mean score of approximately 3.28 indicates that these challenges collectively represent a moderate level of concern, with "Moderately Challenging" being the consistent interpretation across all three parameters.

**Table 3.4**

Summary of the Challenges Faced by Implementing Green Marketing Practices

Parameters	M	R	Interpretation
Operational Costs	3.43	1	MC
Regulatory Compliance	3.27	2	MC
Customers Attitude	3.15	3	MC
<b>Overall Mean</b>	<b>3.28</b>		<b>MC</b>

*Note:* 4.50-5.00 – Very Challenging (VC); 3.50-4.49 – Challenging (C); 2.50-3.49 - Moderately Challenging (MC); 1.51-2.49 – Slightly Challenging (SC); 1.00-1.50 – Not Challenging (NC)

This interpretation implies that, although these areas are under control, they still present obstacles that could impede optimal performance if not addressed. The relatively close mean scores across Operational Costs, Regulatory Compliance, and Customers Attitude suggest that the challenges inherent in Regulatory Compliance and Customers Attitude might necessitate a similar strategic focus and allocation of resources for effective resolution.

Regulatory compliance is crucial for adhering to legal and industry standards, ensuring that businesses operate within established frameworks. Understanding customer attitudes is equally important for fostering satisfaction and loyalty, as positive customer experiences directly influence business success and reputation (Sharma, A. P., 2021). The interdependencies among these parameters emphasize the importance of a holistic approach to organizational performance.

### **Significant Difference between the Business Profile and the Impact of Green Marketing Practices**

Table 4 shows the significant differences in the challenges faced by eateries and coffee shop owners in the implementation of green marketing in terms of operational costs, regulatory compliance, and customers' attitude. A strong positive correlation was found between regulatory compliance and customer attitudes, with statistically significant values of 0.656, 0.714, and 0.763. When businesses follow regulations better, it builds trust, strengthens customer loyalty, and improves their overall experience and satisfaction.

The strong links between regulatory compliance and customer satisfaction suggest that companies that prioritize following the rules are likely to gain their customers' trust, which is crucial for business success. When organizations demonstrate that they take compliance seriously, it shows customers that they care about ethical practices and protecting consumer rights, making shoppers feel more secure in their choices. Research has consistently shown that this trust leads to stronger customer relationships, where people are more likely to buy again and recommend the brand to others. As customers become loyal to trusted brands, their positive experiences can translate into better sales and a solid reputation for the company.

**Table 4**

Significant Difference between the Eateries and Coffee Shops in the Impact of Green Marketing Practices

Challenges Faced in the Implementation of Green Marketing			
The Differences in Challenges Faced by Restaurant and Coffee Shop Owners		Operational Cost	Regulatory Compliance
	Operational Cost		0.656
	Regulatory Compliance	"strong"	"strong"
	Customers Attitude		0.763
r(degrees of freedom) = the r statistic, p = p value.			

Note: 1.0 - Perfect (P); 0.80-0.90 - Ver Strong (VR) 0.60-0.79 - Strong (S); 0.40-0.59 - Moderate (M); 0.20-0.39 - Weak (W); 0.01-0.19 - Very Weak (VW); 0.0 - No Relationship (NR)

Close connections between regulatory compliance and customer satisfaction show that companies prioritizing compliance build trust, which is key to business success. Increasing the consumer awareness and understanding of green products, as well as the importance of transparent markets and adherence to laws and standards (Giwa-Amu, 2022).

### Developing A Framework That Will Help Restaurant Owners in Assessing the Impact Of Green Marketing Practices

This section presents developmental outputs aimed at helping restaurant owners address challenges in implementing green marketing practices. The proposed framework is designed to assist in assessing and improving these practices, focusing on sustainability and operational efficiency. Inputs, processes, and outputs are detailed.

#### Input

- Primary Resources - Framework were developed using survey data and interviews from eatery owners in Naga City, offering targeted solutions to address challenges related to green marketing practices and their impact on business performance.
- Secondary Resources - Survey responses were analyzed to profile eatery businesses in Naga City, providing insights into their location, size, and operational characteristics. This data served as a foundation for developing the SALAD Framework preparation process.

## Process

Step 1: Referred to the Sustainable Action Local and eco-Aware Dining to establish the parameters for evaluating green marketing practices and to guide the development of sustainability for restaurant owners.

Step 2: Conducted a survey with each respondent using a structured questionnaire that incorporated a 5-point scale, to measure the degree of importance each respondent placed on these green marketing practices.

Step 3: Consolidated and summarized the data from the survey to present, analyze, and draw meaningful conclusions about the green marketing efforts employed by the restaurants.

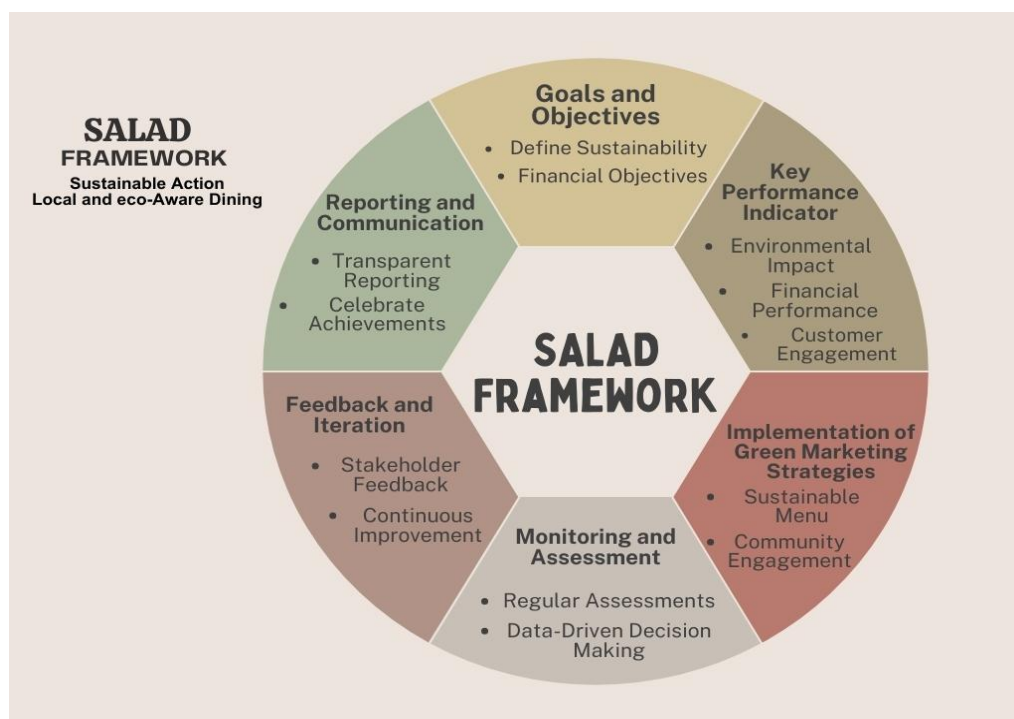
Step 4: The SALAD Framework was developed based on survey results and key information on goals, objectives, KPIs, green marketing implementation, monitoring, and reporting.

## Output

This section presents the framework developed by the researchers based on the gathered data. It highlights specific strategies designed to help eatery owners assess the impact of green marketing practices, aiming to improve their operational efficiency and sustainability efforts.

## SALAD FRAMEWORK

The “SALAD Framework” (Sustainable Action for Local and eco-Aware Dining) is used for assessing green marketing practices offers a structured approach for eatery owners aiming to bolster their sustainability initiatives while maintaining operational efficiency and financial viability. “SALAD” stands for **Sustainable Action: Local and eco-Aware Dining**. This framework includes vital components such as waste reduction, energy conservation, and sustainable sourcing, each critical for evaluating the effectiveness of current practices.



**Figure 3: SALAD Framework**

## 1. Goals and Objectives

**Define Sustainability Goals:** Defining the sustainability goals of the restaurant is crucial for effectively guiding green marketing initiatives in the restaurant sector, as these goals create a roadmap for environmentally responsible practices. In this framework there are three key targets to help in defining the sustainability goal of the restaurants. First is reducing waste, which can be achieved by implementing improved inventory management techniques and portion control strategies to minimize excess food production and consumption. Another essential objective involves energy consumption, where restaurants strive to lower their energy usage by investing in energy-efficient appliances and adopting practices that promote conservation. Also, sourcing practices play a significant role; by prioritizing local and organic ingredients, restaurants not only support sustainable agriculture but also reduce the carbon footprint linked to food transportation. Collectively, these sustainability goals not only enhance operational efficiency but also resonate with eco-conscious consumers, fostering brand loyalty and positive community impact.

**Financial Objective:** Aligning restaurant financial objectives with sustainability goals is vital for ensuring that eco-friendly initiatives contribute to the business's profitability. In this framework, it will include boosting sales through tracking revenue from menu items featuring sustainable ingredients, which helps assess consumer interest in environmentally friendly options. Another is, establishing their targets for operational cost savings through energy efficiency, waste reduction, and sustainable sourcing can further enhance financial performance.

## 2. Key Performance Indicators (KPIs)

Identifying the KPIs that will help restaurants to assess different indicators that will be used in addressing the other concerns in the discussion. here , providing 3 KPIs that will be used such as follows:

**Environmental impact KPIs:** Measure the effectiveness of sustainability initiatives, providing valuable insights for necessary adjustments, such as tracking the percentage of waste diverted from landfills through recycling and composting efforts. Additionally, monitoring energy consumption in kilowatt-hours before and after implementing energy-efficient practices quantifies the benefits of these sustainability efforts.

**Financial performance KPIs:** It will assess the financial implications of green marketing by analyzing revenue from sustainably-focused menu items, which highlights consumer demand and informs future development. It will also include calculating cost savings from reduced water and energy usage that helps justify investments in sustainability practices.

**Customer engagement KPIs:** These are essential for fostering connections with consumers, with key metrics including customer satisfaction surveys that assess feedback on sustainable practices and their impact on overall satisfaction.

### **3. Implementation of Green Marketing Strategies**

**Sustainable menus:** It will address the previous discussion that highlighted seasonal, local, and organic ingredients can effectively attract eco-conscious consumers by reducing transportation emissions and supporting local economies. Crafting menus involves utilizing local agricultural products to enhance freshness and sustainability.

**Community engagement:** Through partnerships with local farmers, it will ensure ingredient freshness while promoting the local economy and reinforcing the restaurant's commitment to sustainability. Participating in local sustainability initiatives also enhances the restaurant's visibility and strengthens its ties with the community.

### **4. Monitoring and Assessment**

**Regular assessments:** It can be conducted bi-annually or annually, and is crucial for tracking progress and identifying areas for improvement in green marketing practices against defined KPIs. These evaluations help identify trends in customer engagement and operational efficiencies, allowing businesses to adjust strategies for enhanced effectiveness.

**Data-driven decision making:** It will leverage sales data to understand consumer purchasing behavior towards sustainable offerings. Another is that, assessing customer feedback on satisfaction levels and suggestions for improvement can enhance promotional strategies for eco-friendly products.

### **5. Feedback and Iteration**

**Collecting stakeholder feedback:** This can be gathered from employees, customers, and suppliers are essential for refining green marketing strategies. This engagement helps identify potential areas for improvement based on real feedback, fostering a collaborative approach to sustainability.

**Implementing lessons:** The learnings from assessments and stakeholder insights into future marketing strategies ensure that sustainability practices continually evolve. This iterative process enhances operational effectiveness and keeps the brand relevant to eco-conscious consumers.

### **6. Reporting and Communication**

**Transparent Reporting:** Transparent reporting of sustainability efforts through public reports and social media enhances brand credibility by sharing both achievements and setbacks. Regular updates foster trust and engagement with consumers, strengthening stakeholder relationships.

**Celebrating achievements:** In sustainability, such as notable waste reductions or fruitful community partnerships, not only reinforces a business's commitment to eco-friendly practices but also showcases its impact on the environment. This recognition can attract environmentally conscious customers, enhancing brand loyalty and fostering a positive reputation within the community.



By adopting this comprehensive framework, restaurant owners gain a structured method to assess and improve their green marketing practices, enabling them to identify strengths and areas for growth. This strategic approach not only supports environmental sustainability by reducing waste and energy consumption but also enhances operational efficiency through better resource management and cost savings. As consumer preferences increasingly favor eco-friendly practices, implementing this framework allows businesses to thrive in a competitive market while simultaneously making a positive impact on the planet, promoting brand loyalty among eco-conscious customers.

## CONCLUSION AND RECOMMENDATION

This section presents the findings, conclusions, and recommendations that address the impact of green marketing to the eatery industry in Naga City.

### Impact of Green Marketing Practices along with Monthly Sales, Price, Product, and Service.

1. **Monthly Sales.** An eco-friendly image positively influences customer perceptions and increases sales, as consumers prefer to support environmentally responsible businesses. By implementing sustainable practices, such as providing discounts for reusable containers, restaurants can set themselves apart in the market, which fosters customer loyalty and enhances overall business performance. Therefore, it is advisable for restaurants to adopt eco-friendly marketing strategies that demonstrate their commitment to sustainability. This approach not only attracts environmentally conscious customers but also strengthens the restaurant's competitive position, ultimately benefiting both the environment and the business's success.
2. **Price.** Competitive and affordable prices are essential for attracting and retaining customers, as businesses must balance value with eco-friendly initiatives to foster loyalty. While eco-friendly promotions are appreciated, they cannot compensate for higher prices, making attractive pricing crucial for customer satisfaction. Eateries and coffee shops should source raw materials sustainably by using local suppliers and seasonal ingredients to lower costs and support the community. Collaborating with programs in Naga City, such as GrOWNegosyo and the ASPIRE fair, will help build supplier connections and enhance entrepreneurial capabilities, while improving distribution methods can boost efficiency and reduce overall costs.
3. **Product.** Customers are increasingly prioritizing innovative and exciting dining experiences over traditional qualities like local organic ingredients, enhancing their satisfaction and loyalty. By focusing on unique menu items, restaurants can distinguish themselves from competitors and thrive in a competitive market. Introducing innovative dishes improves customer satisfaction while allowing brands to maintain quality and sustainability. By investing in these exciting offerings and promoting them effectively, restaurants can create memorable experiences that attract and retain customers.
4. **Service.** Quick order processing and smooth peak-hour flow are crucial for retaining customer loyalty, as immediate satisfaction encourages repeat visits. While consistent



staff training may take time to show benefits, customers prioritize swift service, providing a competitive advantage for efficient operations. To enhance customer satisfaction, restaurants should focus on speeding up order processing, organizing staff effectively during busy periods, and utilizing mobile ordering to reduce wait times. Prioritizing quick-service training and actively promoting fast service can help attract customers through valuable feedback. It is important to optimize feedback mechanisms using various channels, ensuring improvements are actionable, and fostering a culture of growth that encourages monitoring and adjustments to continuously enhance the dining experience.

### **Challenges of Restaurant Owners in Implementing Green Marketing Practices.**

1. **Operational Costs.** In conclusion, the costs of training staff on sustainability are usually more manageable for restaurant owners than ongoing expenses. This investment not only improves service and customer satisfaction but also aligns with financial stability while pursuing sustainability goals. Restaurant owners should prioritize training in sustainability, as these efforts foster a culture of eco-friendly practices among knowledgeable employees, ultimately enhancing customer satisfaction and loyalty.
2. **Regulatory Compliance.** In conclusion, preparing food in a clean and healthy manner is more feasible for restaurants than meeting all the requirements for green marketing certification. By prioritizing food safety, which directly affects customers' health and happiness, restaurants can build trust and achieve long-term success. Owners should maintain strict adherence to sanitation and food safety regulations during food preparation, promoting a healthier perception among customers. A focus on cleanliness not only fosters customer trust but is also essential for the restaurant's enduring success.
3. **Customer Attitude.** In conclusion, consumers today enjoy unique flavors in eco-friendly dishes while still appreciating traditional options, seeking healthy and authentic food. However, skepticism about the actual eco-friendliness of restaurants complicates the focus on green choices. To build trust, restaurant owners should be transparent about their eco-friendly practices, including sustainable sourcing and biodegradable packaging. Engaging customers through promotions or events centered on environmental initiatives can further enhance awareness and demonstrate their commitment to sustainability.

### **Significant Difference between the Business Profile and the Impact of Green Marketing Practices**

The absence of significant correlations among variables, such as monthly sales price and restaurant type, indicates that any observed differences are likely due to chance rather than meaningful relationships in the restaurant industry. This finding suggests caution when

making operational decisions based on presumed connections between these factors. Therefore, restaurant owners should shift their focus to other elements that may more effectively influence sales performance. Additionally, ongoing monitoring of these variables is crucial, as future research may reveal new trends that could present opportunities for improvement in the evolving restaurant industry.

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