

Pricing Policies in A Dual-Channel Supply Chain System with Green Sensitive Consumer Demand

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ABSTRACT

The era of knowledge-based economy, information technology and economic development, but also derived from environmental destruction, global warming and the greenhouse effect, depletion of natural resources and other issues, Industrial firms are facing increasing environmental and societal challenges in order to sustain their processes. Consumers' environmental concerns have caused them to change their buying behavior gradually and rethink about the products they buy. Green purchase means adding environmental aspects to criteria such as price and performance when deciding to buy the ultimate goal of which is to reduce environmental effect on sourcing and to increase efficiency of resources. Therefore, the main objective of this study is to investigate the factors affecting consumers' willingness for green purchase based on the model of planned behavior. The present research attempts to understand the consumers' intention toward buying green products and explore the impact key decision of supply chain players undertaking green initiatives. Through a game theoretic approach to show how prices, product greening levels and profits are influenced within supply chain.

We also study the impact of greening costs and consumer sensitivity towards green products. Our key contribution lies in modelling dual channel and analysing its impact on a green supply chain. Our study contributes to the burgeoning field of green supply chains and collaboration between channel partners.

Keyword: Green supply chain 、 Game theory 、 dual-channel 、 integrated channel 、 decentralized channel