DOES CONSUMERS' PERCEPTION ABOUT GREEN MARKETING PERSUADE BUYING DECISION IN REALITY? – AN EMPIRICAL STUDY

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Abstract:

Environmental issue is a sizzling topic nowadays. Global warming, escalating pollution coupled with waste disposal have created many problems threatening the welfare of people and ecological balance as well, making it a norm rather an exception to the marketers to "Think Green, Think Eco-friendly".

Alongside, the escalating 'Green Consumerism' & diversification in consumer's buying approach towards a green lifestyle has led to the emergence of ''Green Marketing".

But the marketers attempt to reposition their conventional products with full fledged green products using such innovative strategy is not an easy task, as the public is still sceptical and lack the required amount of knowledge about going green.

In reality, green marketing is a strategy for sustainability in the backdrop of CSR for sure which is almost ubiquitous; but still in the stage of infancy. The popularity of such marketing approach and its effectiveness is hotly debated in order to witness whether eco-friendly products actually contribute to the value proposition or not.

Hence the current study attempts to examine the concept of green marketing & its impact on consumers in the today's marketing arena. It also focuses on how does it promote and reinforce the idea of environmental protection and sustainable development in the minds of the consumers.

Key Words: *Green Marketing, Sustainability, Green Products, Consumer Buying Behaviour, Green Consumerism.*

INTRODUCTION TO GREEN MARKETING

At present Environmentalism is rapidly embedded as a corporate citizenship resulting in an increased consumer demand for eco-friendly products thereby signalling an innovation in product design and its communication.

The growing momentum of 'Green marketing' has made it a viable solution to address the environmental issues with a new perspective which do not just refocus but also redefined the marketing arena with a holistic approach.

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However a significant change that the business world is experiencing today has made the corporate ethical code to be 'Green'. Nonetheless the main motto of any company is making profits but without any due consideration for the environment and the society, sustainability would be highly challenging.

HISTORY OF GREEN MARKETING

The term Green marketing was first discussed in the year 1975 in a seminar on — 'Ecological Marketing' organized by American Marketing Association (AMA). However, the term green marketing came into prominence in the late 1980s and early 1990s.

The books by Ken Pattie (1992) & by Jacquelyn Ottman (1993) (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" on green marketing were proved to be the tangible milestone known well all over the world.

In 1987 a document prepared by the World Commission on Environment and Development defined sustainable development as meeting "the needs of the present without compromising the ability of future generations to meet their own need", this became known as the Brundt land Report and was another step towards widespread thinking on sustainability in everyday activity.[1]

REVIEW OF LITERATURE

Polonsky (1994) —all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.

Linda F. Alwitt (1996) – ''The green issue has fostered a positive change in the behavior of consumers since 1970s This change has induced a significant upset in the perceptual experience of consumers with a rising concern for the preservation and prevention of any further damage to the environment. Admittedly green marketing is an effort to reduce these disturbing impacts on our environment through installing a new course of green concept."

Ottman (1998) shows that some consumers do not buy "green" products because of their perceived inferiority, citing a study of observable and product-specific information (e.g. use of biodegradable and recycling behaviour)

Belz F., Peattie K.(2009) – ''Green, environmental and eco-marketing are part of the new marketing approaches which adjust or enhance existing marketing thinking and practice, but seek to challenge those approaches and provide a substantially with a different perspective.

In more detail green, environmental and eco-marketing belong to the group of

1. 'Green Marketing' – Wikipedia- The Free Encyclopaedia

approaches which seek to address the lack of fit between marketing as it is currently practiced and the ecological and social realities of the wider marketing environment.''

Elham Rahbar (2011) – ''Companies often applies different strategical approaches toward different parts of the industry to gain competitive advantages via repositioning consumer perception through innovative green products.''

Yazdanifard (2011) – ''Consumers want to recognize themselves with companies that are green compliant and are willing to pay more for a greener life style. For this reason, green marketing is not only an environmental protection tool but also a marketing strategy.''

K.Manian, Ashwin Nitish.J (2014), have focused the green marketing concept in the context of Indian corporate sector and concluded that green marketing is at the infancy stage and can impact positively on the firm in the long run. Marketers need to make their consumers understand about the need and benefits of green marketing. Even consumers are willing to pay more to maintain their environment green and clean. Thus, it is the responsibility of consumers, industrial buyers and suppliers to promote positive effect of green marketing to the environment.

Delafrooz, Taleghani, & Nouri (2014) – ''Advertisements are part of the green marketing tools which can make perception easier and increase awareness of eco-friendly products features and aspects. Consequently, this will lead the consumers to purchase the environmentally friendly products. Practicing these policy tools plays an important role in changing consumer purchasing behaviour to purchase environmental friendly products, thus, decreasing the adverse effect of artificial products on the environment

MEANING OF GREEN MARKETING

''Green Marketing'' refers to those products / services manufactured in a sustainable fashion offering environmental benefits on a whole. It mainly emphasis on the long term welfare of the consumers and society thereby imbibing the value of going green with integrated efforts to maintain environmental stability and ecological balance as well.

Terms like recyclable, reusable, chemical free, eco-friendly is often associated with green marketing. In fact they are just green marketing claims. The latter is much more than that taking a progressive step towards environmental protection.

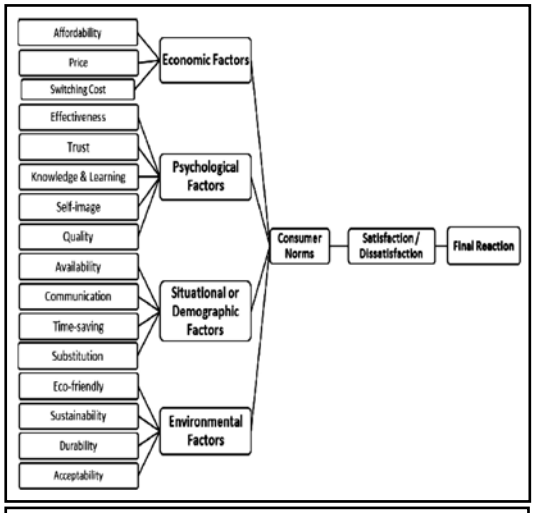
The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly.[2]

2. Redefining management practices & marketing in the modern age – Prof A.R. Yedake & Dr. J.R. Bhor

OBJECTIVES OF THE STUDY

The current study has been undertaken with a view to fulfil the following objectives:

1. To spotlight the consumers level of awareness & their perception towards green marketing
2. To know the degree of inclination that consumers have towards the purchase of green products.
3. To know the impact of green marketing on consumers buying behaviour.



Major factors determining the consumer's intention to purchase Green products[3]

3. Linda F. Alwitt, R. E. (1996). Predicting Purchase Intentions for an Environmentally Sensitive Product. Journal of Consumer Psychology, 5(1), 49-64. doi:10.1207/s15327663jcp0501_03.

RESEARCH GAP

Over the years, Green marketing has been witnessed by many more studies but only in well developed countries. As an exception to this the study in India is still ongoing as a hotly debated topic resulting in a lack of number of studies to acknowledge.

It is apparently noticeable that there is a huge research gap in terms of conceptuality thereby creating confusion in the minds of the consumers that whether Green marketing is a corporate citizenship or just a strategy for sustainability.

RESEARCH METHODOLOGY

The study being empirical in nature is quantitative in its approach & uses an analytical model of investigation to guide the study productively. As a Descriptive Research, the study aims at finding out how & what are the factors actually determine the consumers buying behaviour from the standpoint of green marketing.

Sampling size & Type of Sampling employed: 146 respondents from among the consumer community (between the age group of 20 – 35 years)[4] are taken as a stratum through Simple Random Sampling in order to collect the needy information.

4. Only Age and Gender of the Respondents are the two demographic profile considered for study.

Methods of Data Collection: Primary data was collected, complied and analyzed to prove the hypothesis. While secondary data from books, journal articles, search engines and other relevant articles were reviewed in order to get an extensive view of the research topic. In this backdrop, primary data was gathered via well structured questionnaire inclusive of both open ended & closed ended questions constructed using a Likert scale.

Statistical tools used:

Mean - used to know the average level & degree of consumer perception towards green marketing

Standard Deviation - used to know how & to what extent the variable have deviated from the expected mean

Correlation - used to know does green marketing has any impact on consumer buying behaviour in reality.

Since variances are known & n > 30, **Z – test** is used. However it is used to determine is there any significant difference existing between sample & population means.

Formulas used:

$$\mathbf{Z_{cal}} = \left(\frac{\bar{X} - \bar{Y}}{\sigma\bar{X}_1 - \bar{X}_2}\right)$$

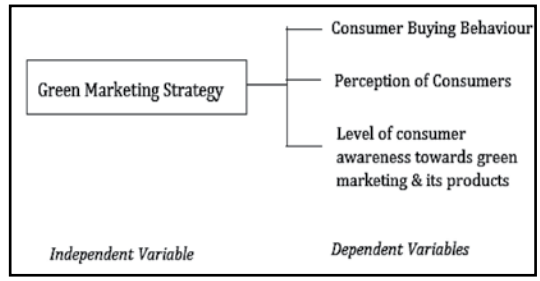
Correlation $$r = \frac{\sum xy}{\sqrt{\sum x^2 \sum y^2}}$$

Standard Deviation σX $$= \sqrt{\left(\frac{\sum(X-\bar{X})^2}{n-1}\right)}$$

$$\sigma Y = \sqrt{\left(\frac{\sum(Y-\bar{Y})^2}{n-1}\right)}$$

Proposed Research Framework:

The current study involves both Dependent & Independent variables which can influence the consumer buying behaviour & their perception towards green promotion either positively or negatively.



HYPOTHESIS

On the basis of review of literature & objectives of the study the following hypothesis have been formulated to be verified by the usage of statistical analysis.

H_0 – Consumers tend to have high level of positive perception towards Green marketing.

H_0 – Consumer purchase intentions are positively influenced by the green marketing concept

H_0 – Consumers have a good amount of positive inclination towards purchase of green products.

H_0 – Green Marketing do persuade the buying behaviour of all the consumers.

H_0 – Consumers have a high level of awareness about Green Products.

ANALYSIS & INTERPRETATION

Table 1- Consumers perception towards Green marketing

Parameters	No. of Respon-dents
Green products are creditworthy they fulfil their advertising claims	20
Green products comes with higher cost making it too costlier to afford	14
Green marketers just exaggerate their products to be green	04
Green Advertorials are just publicity stunt used to build up brand image	10
Green Products are actually eco-friendly are targeted to benefit social concerns & issues	112
Total	**146**

H_0 – Consumers tend to have high level of positive perception towards Green marketing.

$\bar{X}$	$\bar{Y}$	$\sum X^2$	$\sum Y^2$	$\sum XY$	$r = \frac{\sum XY}{\sqrt{\sum X^2 \sum Y^2}}$
4.67	**22**	**12.67**	**1784**	**134**	**r = 0.8913**

There exists a **high degree of positive Correlation** between consumer perception towards Green marketing. Hence Accept H_0

Table 2- Consumers purchase intentions are towards green marketing concept

Parameters	No. of Respon-dents
Product Content	30
Due to eco – labels & Quality assured	30
Usage of recyclable materials thereby making the green products to be safe	40
Organic practices of the green producer (Eco – friendly process)	26
Green focused media ads making the product availability at ease	08
Health benefits assured by the green products	80
Total	**146**

H_0 – Consumers purchase intentions are positively influenced by the green marketing concept

$\bar{X}$	$\bar{Y}$	$\sum X^2$	$\sum Y^2$	$\sum XY$	$r = \frac{\sum XY}{\sqrt{\sum X^2 \sum Y^2}}$
4.25	22.5	112.75	425	217.5	r = 0.9935 (or) r = + 1

There exists a **perfect positive correlation** between consumer purchase intensions & Green Marketing concept. Hence Accept H_0

Table 3 - Consumers inclination towards purchase of green products.

Parameters	No. of Respon-dents
As Green products enhances the quality of life	42
They are environmentally safe	102
Good in terms of health aspects concerned	82
Purchase of green products acts as a status symbol	02
Feels secured in terms of its usage	24
Post-purchase usage of green products offer high level of satisfaction	18
Green products offer both societal and eco benefits	28
Total	**146**

H_0– Consumers have a good amount of positive inclination towards purchase of green products.

$\bar{X}$	$\bar{Y}$	$\sum X^2$	$\sum Y^2$	$\sum XY$	$r = \frac{\sum XY}{\sqrt{\sum X^2 \sum Y^2}}$
9	28.25	98	1530.74	378	r = 0.9760 (or) r = + 1

There exists a perfect positive correlation between consumers having a positive inclination towards the purchase of green products. Hence Accept H_0

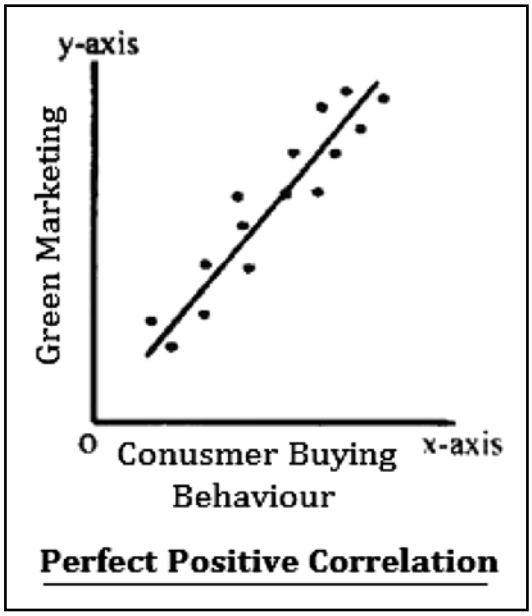
Table 4 – Impact of Green Marketing on buying behaviour of consumers.

Parameters	No. of Respon-dents
Strongly Agree	12
Agree	106
Neither Agree nor Disagree	26
Disagree	02
Strongly Disagree	00
Total	**146**

H_0 – Green Marketing do persuade the buying behaviour of all the consumers.

$\bar{X}$	$\bar{Y}$	$\sum X^2$	$\sum Y^2$	$\sum XY$	$r = \frac{\sum XY}{\sqrt{\sum X^2 \sum Y^2}}$
4.25	16.5	64.75	1889	327.5	r = 0.9364 (or) r = + 1

There exists a **perfect positive correlation** between green marketing and consumer buying behaviour therefore green marketing do positively and significantly influences the consumer buying behaviour. Hence Accept H_0



Inference: we can say that both Dependent and Independent variables move in a same direction and is said to be positively correlated to each other.

Table 5 – Consumer awareness towards Green Marketing & its Products

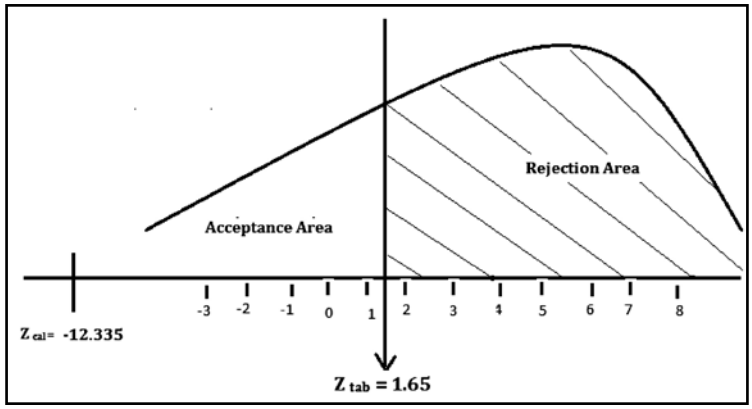
Parameters	No. of Respon-dents
Low	04
Very Low	04
Average	78
High	50
Very High	10
Total	**146**

H_0– Consumers have a good amount of awareness about Green Marketing & its Products.
H_1 – Not all the consumers exhibit a high level of awareness towards Green Marketing and its Products.

$\bar{X}$	$\bar{Y}$	σX	σY	$\bar{X}_1 - \bar{X}_2$	Z_{cal}	Z_{tab} (One tail, Two sample test, Z at 95%)
3	32	1.732	9.899	2.351	-12.335	1.65

Conclusion

As $Z_{cal} < Z_{tap}$ i.e., -12.335 < 1.65 **Accept H_0** [Z_{cal} falls in Acceptance Region]



FINDINGS

1. Consumers are becoming highly green conscious giving rise to the concept of Green Consumerism now-a-days.
2. The consumer expectations from green marketers are high with the rise of green consumerism.
3. In spite of good amount of media exposure some consumers still lack the required amount of knowledge towards green marketing and its products.
4. As Concept of Green Marketing still being in the stage of infancy consumers are often sceptical about green products claims.
5. Some consumers are of the opinion that green products comes with higher cost, making it bit expensive to afford.
6. Advertorial in relation to green products are less in number compared to non – green product advertisements.
7. Green Marketing orientation towards being environmentally safe

and qualitative in terms of health aspects concerned are the only two aspects known for its increasing popularity.

SUGGESTIONS

1. Green Marketing being a new phenomenon in our country, there is a huge requirement for knowledge dissemination regarding the latter.
2. Green Marketers need to build green culture among the consumers through product innovation & modifications thereby reposition them with added value propositions.
3. Green Marketers rather than going for advertorial its better they opt for Infomercials.
4. Green oriented products should speak enough about eco-ingredients used & be clear with its eco-labels.
5. Increase the availability of green products at the convenience of consumers.
6. Finally there is a need for an extensive research to take place to fully explore the potential of Green Marketing in India.

CONCLUSION

Green Marketing paradigm do exists. Despite numerous challenges, green marketing has continued over the years to gain prominence, particularly in the light of growing global concern in relation to environmental protection.

The maturing green phenomenon has taken a firm shift into mainstream, changing the rules of green marketing. Characterized by a keen sensitivity to engage in a meaningful marketing resulting in a minimal environmental and social impact.

More or less in today's scenario 'Green Marketing' is both a concern for environment and nevertheless an excellent & innovative strategy for sustainability.

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