



UNDERSTANDING THE IMPACT OF GREEN MARKETING ON CONSUMER'S BUYING BEHAVIOR IN INDIA

Dr. Deepak Agrawal

Associate Professor, Christian Eminent College,, DAVV, Indore – 452011, Madhya Pradesh, Mob:098272-14334,

Ms. Meghna Singh

Research Scholar, Jabulpur, Madhya Pradesh

ABSTRACT

Environmental pollution is one of the most serious concerns towards civilization on our planet today. The increasing economic development, rapid growth of population and industries in India is putting lots of strain on the country's environment and the natural resources. The concept of green marketing had emerged since the first EARTH DAY in 1970. To increase awareness of consumers towards green products Indian government launched an Eco-mark scheme in 1991. In spite this concept has not gained momentum in the country. This paper tries to conceptualise the concept and to determine the awareness among the Indian consumers and tries to understand the responsibilities to be barred by Indian corporates. In this regards a survey was done in Indore and Jabalpur green marketers and users. The study revealed a lack of awareness among customers and effectiveness among marketers. The extra efforts are required to popularise this concept.

KEYWORDS : Environment; Marketing; Green Marketing; Green Consumers

INTRODUCTION

The topics of environmental friendliness and sustainability have become major issues pertaining to products, manufacturing, and organizations. Environmental issues remain at the forefront of public concerns at least as a social and public policy issue^{1 2 3}. People are concerned about changing environmental condition which is getting critical day by day. In order to have a pollution free environment, we need to implement the concept Green marketing and deliver its benefits to consumers and company because they both are the important elements in Green marketing.

There has been occurring about Green consumers and green consumerism in the 1970s and 1980s. Green consumers defined as environmentally conscious consumers as "one who accepts and adopts eco-friendly behaviors, and those who prefers to purchase green products over the standard alternative"⁴. The green products possess qualities which are simply less harmful to the natural environment than others⁵. While green consumerism is a specific type of socially conscious consumer behaviors with prime focus on the protection of the environment⁶.

Marketers have realized that the growing concern of consumers' towards the environment is because of an apprehension that the planet is losing its ability to sustain human life⁷. The concept of Green Marketing has acquired an eminent status since early 1990s⁸. It can be defined as the set of activities designed to generate and facilitate an exchange intended to satisfy human needs or with minimal detrimental impact on the natural environment². In a general sense it includes marketing of products that are presumed to be environmentally safe. Under the current scenario Green Marketing has been advantages to the manufacturer / marketers as it helps to prevent the further environmental degradation without affecting industrial growth of the country.

Another concept of "Green washing" later came into existence⁹, it means some products and company information has little ecological meaning or benefit. Consumers are unwilling to accept this shallow and artificial type of communication. This skepticism towards green marketing lies due to the false marketing claims made in the 1980s and 1990s era regarding environmental performance of products and companies.

A number of industries like the automobile industry, consumer electronics, power, cement industries have a huge potential to practice green marketing and to attract new customers. The state of Madhya Pradesh is distributing power efficient LED bulbs at subsidized rate through their bills. In another example, Hewlett-Packard (HP) is committed to par active green marketing to attract

new customers. By producing energy efficient products like to redesign, print cartage packing will helps in reducing greenhouse gas by 37 million pounds by 20208. In another example of Dominos who uses recycled cardboard for serving Pizzas. They promote to serve Pizzas in their recycled boxes only.

The positive attitude towards "green" products does not always get converted into consumer behavior. The study revalued towards the environmental behaviour of Jordanian consumers¹⁰. Clorox became the first large consumer products company to launch a brand of household cleaners that were ecologically friendly and made from non synthetic ingredients¹¹.

The several issues and challenges accounted by the various researchers with respect to Green Marketing. The topics of environmental friendliness and sustainability have become major issues pertaining to products, manufacturing, and organizations³. The effect of consumer attitude towards environmental protection was studied and found that the consumer attitude is associated with the knowledge and personal experiences they possess^{12 13 14}. However, inconsistencies were found among the relationship between consumer's attitude and their behavior when it comes to green consumerism. Various models were proposed to develop strategy that includes the green marketing grid¹², the green marketing strategy matrix¹⁵ and Green Gauge study of Roper Organization¹⁶. A growing trend was determined on the type of consumer behavior in which price and convenience takes a back seat to giving more importance to personal and societal concerns, specifically in the purchase of organic food products. The need for certifications and labeling to give credence to the organic products is strongly felt among the consumers¹⁷.

RESEARCH OBJECTIVES

The main objective of the current study is to conceptualize the green marketing and to determine the influence of marketers toward buying behavior of the consumers. The following hypotheses were tested.

H01: The Consumers are aware about green marketing and green products.

H02: Purchase decision of the consumers is influenced by the green marketing activities promoted by the marketers.

H03: Age difference is having no significant impact in selecting the green products.

RESEARCH METHOD

The present study is exploratory and primary data will be used for

the purpose of analysis. The study period was during March - May 2017. Primary data were collected through structured questionnaire and in-depth interview from over a sample of 108 consumers from Jabalpur and Indore tier II cities of Mdhya Pradesh. Incomplete questionnaire was rejected. The respondents were selected through random sampling visited at Malls in Indore and Jabalpur. Likert scale was used to get the response. The responses were analyzed by using T-test with the help of SPSS®. Secondary data were also used for the study collected in the form of articles, blogs, published books, research papers, and newspapers.

RESULTS AND ANALYSIS

H01: Consumers are aware about green marketing and green products.

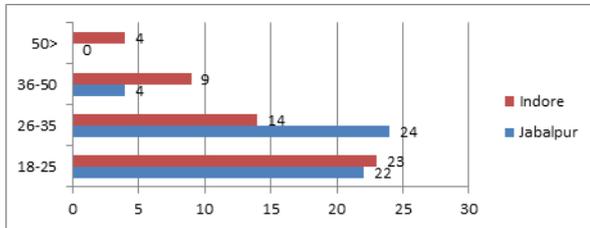


Figure 1: Age group of the respondents towards the awareness of Green Marketing and Products.

The respondents were surveyed about awareness towards the concept of green marketing, green products and their availability in a city. Fifty two percent male and forty eight percent female have shown at least some awareness towards green marketing and its products. Although all respondents admit that they are not fully aware to locate green products to the various parts of the city.

H02: Purchase decision of the consumers is influenced by the green marketing activities promoted by the marketers.

Table I: Descriptive Analysis

	N	Mean	SD
Jabalpur	50	4.32	0.6527
Indore	50	3.2	1.1428
	100		

Table I highlights the significance of Mean and Standard Deviation (SD). The mean value of the respondents of Jabalpur was 4.32 which was close to 4 indicates the consumers are largely influenced by the green marketing activities by the marketers. Mean value of 3.2 was found for Indore respondents indicates they are neutral over the influence of promoting the activities of marketers. Although, SD of 0.65 and 1.14 was recorded for Jabalpur and Indore respondents respectively. Higher SD depicts the respondent's views to be more variable. Hence, purchase decision of the consumers is influenced by the green marketing activities promoted by the marketers.

H03: Age difference is having no significant impact in selecting the green products.

24 (48%) respondents in Jabalpur lie in the age group of 26-35 years, whereas, 23 (46%) respondents of Indore city lie in the age group of 18-25 years. Resulting young generation is more aware towards the green marketing. To test the significance T-test was used.

Table II: Results of T-test

N	df	Mean	t-value	p-value	SE
100	99	28.4	27.18	0.0001	0.908

Table II provides the result of t-test and highlights the significance of p value which is less than 0.05 at the given level of significance. The p value below the significance level indicates to accept the alternate hypothesis, i.e. age difference having significant impact in selecting the green products.

FINDINGS

Consumers with better income, higher education and small family size are willing to pay more for products like organic vegetables, Eco friendly goods like jute bags, etc. Intention towards the Green purchase largely depends on consumer's selflessness and the way they can be motivated by the marketers¹⁸. Consumer pressure has forced organizations to introduce so-called green alternatives into the marketplace¹⁹. A green market has thus emerged as green products and retailers seek to meet the expectations of the socio-demographic segment of green consumers²⁰.

SUGGESTIONS

The study suggests following the basic five rules of green marketing. Consumers must be aware and concerned about the environmental issues about the product to be professed by the marketer. Consumers have to develop the feeling to make a difference by using the marketer's products. By using high rated star energy saving devices, it can pressurize the marketer to produce Eco friendly products. Transparency should be the best policy. Marketers should be allowed for public scrutiny. Transparency in the system makes them to be held more responsible. In case premium charged on the basis of environment-friendly products and services than they should be able to satisfy consumers' feel. Failing to do so may not attract customers next time. Finally, enforcing of the law to make it mandatory to follow the standards laid by the component authorities. Provisions for penalties and prosecution should be made against it.

CONCLUSION

The concept of green marketing is not new for the Indian marketers, but it has gained momentum since the beginning of the twentieth century. In order to save planet few companies volunteered to produce Eco friendly products so that we can keep green environment for our upcoming generations. Considering these facts in mind the paper tries to identify the relationship between various consumer attitudes and green marketing and what the consumers think about it. In this regards a survey was done in Indore and Jabalpur green marketers and users. Due to lacking of awareness and responsiveness the marketers have not been able to fully evolve the concept of Green Marketing²¹. The research identifies to put extra efforts to popularise this concept as most of the respondents are not much aware about this concept Green Marketing can help organization to gain a competitive advantage and a strong consumer base. The practicing green marketing helps the companies to increase their market share and also gain more profit²². In this regards various agencies like government, policy makers, corporate should put extra efforts so that our future generations can praise us.

REFERENCES

- Ottman, R. (1989), "Elementary Harmony. Englewood Cliffs," New Jersey: Prentice Hall.
- Polonsky, Michael J. (1995), "A Stakeholder Theory Approach to Designing Environmental Marketing Strategy," *Journal of Business & Industrial Marketing*, vol. 10, pp. 29-46.
- Lee, J. S., Hsu, L. T., Han, H., & Kim, Y. (2010). Understanding How Consumers View Greenhotels: How A Hotel's Green Image Can Influence Behavioral Intentions. *Journal of Sustainable Tourism*, vol. 18 No. 7, 901-914.
- Vernekar, S.S. and Wadhwa, P.(2011), "Green Consumption An Empirical Study of Consumers Attitudes and Perception regarding Eco-Friendly FMCG Products, with special reference to Delhi and NCR Region," *Opinion*, vol. 1, pp. 64-74.
- Wanninayake, V. (2008), "Consumer Attractiveness Towards Green Products of FMCG Sector: An Empirical Study," *Oxford Business and Economics Conference Program*.
- Antil, J.H. (1984), "Socially Responsible Consumers: Profule and Implications for Public Policy," *Journal of Macroarketing*, vol. 4.
- Ottman, A. J. (2011), "The New Rules of Green marketing: Strategies, Tools, and Inspiration for Sustainable Branding." January 2011, www.greenleaf-publishing.com/newrulespp4. Accessed on March 15'2017.
- Kotler, P. "Principles of Marketing: A South Asian Perspective," India: Pearson Education. p. 490, 2010.
- Polonsky, M. and Rosenberger, P. (2001, Sep-Oct). "Reevaluating Green Marketing: A Strategic Approach," *Business Horizons*. 21-30.
- Alsmadi, S. (2007), "Green Marketing and the Concern over the Environment: Measuring Environmental Consciousness of Jordanian Consumers ." *Journal of Promotion Management*, vol. 13.
- Nidumolu, R., Prahalad, C.K., & Rangaswami M.R. (2009), "Why sustainability is now the key driver of innovation," *Harvard Business Review*, pp. 56-64.
- Grant, J. "The Green Marketing Manifesto". John Wiley & Sons, Ltd. England. <http://onlinelibrary.wiley.com/doi/10.1002/9781119206255.fmatter/pdf>. Accessed

- on April 22'2017.
- [13] Wang, X., Xiao, X. J., Zhang, A. G., & You, W. P. (2009), " Consumers' attitude towards organic food in Nanjing city," *Journal of Anhui Agriculture Science*, vol.37.
 - [14] Chen, T. B., & Chai, L. T. (2010), " Attitude towards the environment and green products: Consumers perspective". *Management Science and Engineering*, vol 4, pp, 27-39.
 - [15] Ginsberg, J. M. & Bloom, P. N. (2004), "Choosing the right green marketing strategy," *MIT Sloan Management Review*, vol. 46, pp.79-84.
 - [16] Crispell, D. (2001), "Going Green(ish)". *Public Perspective*, pp. 28-30.
 - [17] Hjelmar, U. "Food Quality and Safety Consumer Perception and Demand". *European Review of Agricultural Economics*, 32 (3), PP 369-391. Doi: 10.1093/eurrag/jbi011.
 - [18] D'Souza, C., Taghian, M., & Khosla, R. (2007), "Examination of environmental benefits and its impact on the influence of price, quality, and demographic characteristics with respect to green purchase intentions," *Journal of Targeting, Measurement & Analysis for Marketing*, vol. 15, pp.69-78.
 - [19] Pickett-Baker, J., & Ozaki, R. (2008), "Pro-environmental products: Marketing influence on consumer purchase decision". *Journal of Consumer Marketing*, vol. 25, no. 6, 281-293.
 - [20] Hartmann, P & Ibanez, VA (2006), "Green value added," *Marketing Intelligence & Planning*, vol. 24, pp.673-80.
 - [21] Khedkar, E.B. (2015), "Green Marketing – Concept, Awareness and Linkage with Consumer Purchase Decision". *International Journal of Management Sciences and Business Research*, vol 4, Issue 9, pp. 14-18.
 - [22] Ottman, Jacquelyn (1992), " Sometimes, Consumers Will Pay More to Go Green," *Marketing News*, vol. 26, pp. 16.