



## A Study on Green Marketing and Impact of Consumerism with A Special Reference to Chennai City

### KEYWORDS

Green Product, Buying Intention, Green Consumerism, Environment, Awareness

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**ABSTRACT** *This paper is an attempt to explore the consumer attitude towards the environment and green products and to investigate the relationship between attitude towards the environment and green products. The objective of the study is to understand the awareness level of the consumers on Green products in Chennai and to evaluate the customers attitudes towards the Green Products. Primary data was collected through the questionnaire from 100 respondents. Secondary data was collected from various published sources. The first section gives an over view on the importance of environmental awareness, the second section analyzes the awareness level of the consumers third section deals with the factors influencing green purchase followed by the findings of the study and conclusion. It is found that the consumers in Chennai are aware of environmental problems and green products in the market but the attitude and behavior towards the green purchase is not improved*

### INTRODUCTION

In today's business world environmental issues play vital role in marketing decisions. The environmental degradation and its impact on human life have emerged as one of the burning issues drawing attention of academicians, industrialists and research scholars all across the world. The current rapid growth in the economies and the change in consumers' behavior and consumption patterns worldwide are the main cause of environmental deterioration. As the environment continues to worsen, it has become a persistent public concern in the developed countries and has recently awakened the developing countries to the green movement. All most all the governments around the world are concerned about green marketing activities that they have attempted to influence customers about environmental issues and motivating customers for greater participation in building awareness and increase green product uses. Environmental pollution is a buzz word in today's business environment. Consumers are also aware of the environmental issues like; global warming and the impact of environmental pollution. The purpose of this study is to find out the relationship between consumer awareness towards green products and their buying intention. Many centuries, the issue of environmental preservation has been on the top of the agenda of global and international concerns as one of the most important issues at both the national and international levels.

### REVIEW OF LITERATURE

The results of the study confirms the findings of Heidt Tania von der, and Rose Firmin (2009) willingness to pay more (WTP) study, as the item of consumer aware and ready to pay more prices of eco-friendly products' was having significant correlation with the buying intention of the consumers, at 0.01 level. The item 'Green Products are valuable to society' was not having any relationship with the buying intention of the consumers.

Haritt. (2010), Green promotion is having significant relationship with the buying intention of the consumers, as the item 'I will prefer promotion campaign that protect environment' was having significant correlation with the buying intention of costly products which are causing less environmental pollution.

### Factors influencing the Green Purchase

It is observed that different activities of business organizations like sourcing, manufacturing, logistics and marketing have a

negative impact on the environment and also considered to be the source of most of the environmental problems. However, current environmental dreadful conditions are ever more menacing consumer health and wellbeing globally. Therefore, consumers are becoming more sensitive in their environmental attitudes, preferences and purchases. At present, customers are ever more aware of the seriousness of environmental degradation, resulting more ecologically consciousness and desire to purchase eco-friendly products and services, favoring businesses that prefer environmental practices

### OBJECTIVES

The present research work is an earnest attempt to probe in to the level of consumer awareness about usage of green products in Chennai city. The study is carried with the following important specific objectives:

- ❖ To find out the level of awareness about different consumer in the study area
- ❖ To offer reasonable suggestion to over improve the consumer awareness about purchase of green products
- ❖ To identify consumers are willing to buy green products in city.
- ❖ To attempt to model the most important factors affecting attitude towards green products.

### METHODOLOGY

The present study is based on the primary and secondary data sources. The primary data are collected through pretested structured questionnaires from 100 respondents of Chennai city. The respondents are selected randomly further some useful content is also extracted from secondary data sources viz., books, journals, and newspapers.

### TOOLS APPLIED

The frequency and percentage analyses were carried out to understand the socio-economic characteristics consumers. In order to examine the consumer's awareness on green products, the collected data were discussed through various statistical measures such as ANOVA (Analysis of Variances), WAM (Weighted Average Method), and other analysis to find out the consumer awareness on green products.

ANOVA test has been applied. In order to identify the factors affecting the purchase intention of the green products, the factor analysis has been employed with principal component extraction with varimax rotation. The factor analysis can be

expressed as:

$$Z_{ij} = a_1 f_{1j} + a_2 f_{2j} + \dots + a_m f_{mj} + e_{ij}$$

Whereas,

$Z_{ij}$  = Purchase Intention Factors

$a$  = Factor Loadings

$f$  = Factor Score

$e$  = Residual term accounting for Errors or other Source of Variation.

Hypothesis 1: The different factors influencing customers aware towards green product and environment do not differ significantly across their occupation and education levels.

Hypothesis 2: The mean of different factors through the awareness of consumer perception and attitude towards green product and environment does not differ significantly across gender category, level of education and occupational category of respondents

**A) Testing the significance difference between the factors influencing consumers aware towards green product and environment do not differ significantly across their occupation and education levels.**

NULL HYPOTHESIS: H0A: There is no significant difference between the consumer awareness towards green products and its significance on occupation and education level

ALTERNATIVE HYPOTHESIS: H1A: There is significant difference between the consumer awareness towards green products and its significance on occupation and education level

NULL HYPOTHESIS: H0B: There is no significant difference between the consumer awareness towards environment on significance of occupation and education level

ALTERNATIVE HYPOTHESIS: H1B: There is significant difference between the consumer awareness towards environment on significance of occupation and education level

Occupation	UP to 8 <sup>th</sup> STD	Up to 12 <sup>th</sup> STD	U.G	P.G	Total
Unorganised	2	5	1	0	8
SHG	2	15	4	1	22
V.O	7	19	5	2	32
House Wife	6	14	2	1	23
Self employed	3	0	3	0	6
Organised	4	2	0	0	6
Driver	0	3	0	0	3
Total	24	59	12	5	100

**Calculations**

Grand Total =100, Correction factor =  $100^2/28$

SST= 607.86, SSC (Insurance product) = 185.71, SSR(Environment)= 182.36

Sources of variation	Sum of squares	Degree of freedom	Mean sum of squares	Variance ratio
Between columns	185.71	3	61.90	$F_c = 61.90/13.32 = 4.65$
Between rows	182.36	6	30.39	$F_r = 30.39/13.32 = 2.28$
Residual (error)	239.79	18	13.32	
Total	607.86	27		

Null hypothesis testing for H0A: Calculated value of analysis of variance =4.65

Tabulated value of F at (18.3) @ 5% level of significance = 8.74.

Since the calculated value is lesser than the tabulated value we may accept H0A. In this case the calculated value (4.65) is lesser than the tabulated value (8.74) we may accept H0A. Hence, there is no significant difference between the consumer awareness towards insurance products and its significance on occupation and education level

Null hypothesis testing for H0B: Calculated value = 2.28

Tabulated value at (18.6) at 5% level of significance = 4.00

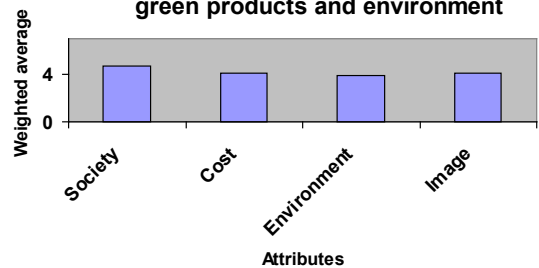
Since the calculated value is lesser than tabulated value we may accept H0B. in this case the calculated value (2.28) is lesser than the tabulated value (4.00), we may accept H0B, hence there is no significant difference between the consumer awareness towards environment on significance of occupation and education level

**B) To find the factors that the mean of different factors of awareness of consumer perception and attitude towards green product and environment the users feel more important while they aware of green products and environment impact by Rank the factors in their order of importance**

Attribute	Agree	Neutral	Disagree	Highly Disagree	Total Value	Weighted average
Valuable to society	72	23	4	1	474/100	4.74
Cost	34	44	17	5	406/100	4.06
Protect environment	22	54	20	4	393/100	3.93
Image	42	42	7	9	413/100	4.13

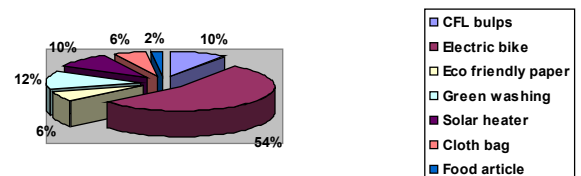
Ranking the factor from 1 to 4 as (Society- 2, Cost – 3, Environment protection– 4, Image -5) we may conclude that Valuable to society is very important factor when consumers aware on purchase of green products also given importance for protecting the environment.

**Chart shows the respondent rate on aware of green products and environment**



**c) Chart shows Awareness of Green Products among consumers**

**Awareness of green products**



**MAJOR FINDINGS**

- Around 90% of the consumers were aware of environmental problems related to production, use and disposal of various consumer goods.
- Consumers were using green cosmetics and medicines to prevent their health.
- 10% of Consumers only use the electric bike.
- 40% of consumers have become more aware of green

products through friends and followed by the magazines and advertisements. The sales people play very less role in creating awareness.

- 75% of the consumers felt that the green products and organic food are safe to the environment and health. And they accept the difference in quality and the price.
- 70 % of the consumers rarely buy green products but they know it is good for health and environment
- Nearly 100% of the consumers felt that environmental education was essential for the purchase of green products and to save our environment
- 93 percent of consumers say they definitely or may purchase these green products to save our environment

### SUGGESTIONS

"Going Green" awareness continues to be high, according to this research. Relative to recent news regarding the environment and "going green," close to 60 percent of consumers say they read a newspaper or magazine article on the topic. When asked about their future purchase behavior from consumer of products and services that are specifically "green" or environmentally friendly. Today's consumers are becoming more and more conscious about the environment and are also becoming socially responsible. Therefore more companies are responding to consumer's aspirations for environmentally less damaging or neutral products. Many companies want to have an early mover advantage as they have to eventually move towards becoming green. Some of the advantages of green products are

### CONCLUSION

The study indicates that majority of consumers are aware of the green marketing to some extent or the other. As a result of this, they are willing to purchase eco friendly products and ready to pay extra to make the environment healthy and sustainable. It is evident from the study that as gender, occupation and education level of consumers play substantial role and influence the purchase decisions; a lot to do in the promotion and awareness building movements to obtain sizable amount of result in environmental protection. Also, policy and law makers are expected to take all sorts of initiative to bring uniformity in understanding this global issue and to encourage all round participation of this society in this regard. The lack of information and sense of responsibility should be well taken care of through continuous efforts by not only the manufacturers and governing bodies but also by intellectuals, educationists and by individuals for the betterment of this planet. Above all since, personal benefit and economic orientation of Individuals are surfaced in the study as crucial in purchase and consumption behavior, the marketers and manufacturers should develop proper roadmap to make green products economical or to price them at par with the non-green ones in same product categories. The governments must provide sufficient financial support for R&D in developing cheaper eco-friendly products and also may provide subsidy to encourage green consumption.

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