



Trends in Brand Loyalty of Green Products -An Empirical Study of Herbal Face Wash in Coimbatore City

KEYWORDS

Green products price, buying behavior, herbal cosmetics, chi-square.

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ABSTRACT

India has a longstanding tradition for herbal remedies. Thus, it stands as largest market for natural personal care in the world. Brand loyalty is a function of psychological (decision – making, evaluative) process. Natural products are not necessarily organic but are composed of plant-based material lightly modified and produced in environment-friendly way. According to prior studies by the author decision making is an essential element of brand loyalty. Environmental ads do not have influence on purchasing behavior, it increases knowledge and provide guidance for purchase of environmentally friendly products. The Statistical tools used are: 1. Percentage Analysis and 2. Chi - square Analysis. A structured Questionnaire was designed to collect primary data. A sample size of 120 respondents was selected. The data collected from customers were tabulated and analyzed based on the lines of objectives of the study.

INTRODUCTION

Green marketing is the marketing of products that are presumed to be environmentally preferable to others. According to the consumption report of the EU (Consumers in Europe), it is found that ten percent of the consumers recognize the ecological product labels or green energy labels on the products sold in the supermarkets. Although the companies in our country progress with significant speed in terms of the environment, it is not possible yet for us to say that they have reached the same level regarding consumer sensitivity.

Green Consumer

"The green consumer is generally defined as one who adopts environmentally friendly behaviors and/or who purchases green products over the standard alternatives. "Green consumers are more internally-controlled as they believe that an individual consumer can be effective in environmental protection. Thus, they feel that the job of environmental protection should not be left to the government, business, environmentalists and scientists only; they as consumers can also play a part. They are also less dogmatic and more open-minded or tolerant toward new products and ideas. Their open-mindedness helps them to accept green products and behaviors, more readily (Shamdasani et al. 1993).

1.1 Businesses and Green Marketing

There are serious changes for awakening in the business world regarding the responsibility towards the environment and the society. Strategies targeting not only making a profit for the day but also for long-term profitability and environmentally friendly sustainability have started to become agendas of the companies. Corporate ethical code of the 21st century is being green.

1.2 Indian natural personal care market- a brief scenario

India has a longstanding tradition for herbal remedies. Thus, it stands as largest market for natural personal care in the world. The foreign origin of a brand commands priority as status symbol over its natural positioning in this market. It posted a double-digit growth in 2010 and now ranks second to Brazil in its pace. Natural products in India are classified as truly natural formulations and natural in-

spired products. The former holds a larger share at nearly one-fourth of the market but the latter is gaining strength as consumers demand mass product at lower prices.

The International association of Natural products producer had been working on it for the past 16 months and yet to come out with a final definition. It had been variously defined as products that contain natural ingredients derived naturally or contain certain percentage of natural materials. Natural products are not necessarily organic but are composed of plant-based material lightly modified and produced in environment-friendly way. Simple natural products tend to be less expensive than organic cosmetics; therefore, more attractive to consumers, who might have trouble to distinguish the difference between organic and natural.

The size of Indian cosmetics industry globally is \$274 billion while that of Indian cosmetics industry is \$4.6 billion. According to CII (Confederation of Indian Industry) total Indian beauty and cosmetic market size at present stands as US\$950 million and growing between 15% and 20% per annum. According to industry, a rapid growth of 17% is expected during 2010-2013. According to CII (Confederation of Indian Industry), overall beauty and wellness market including beauty services stands at US \$ 2,680 million. The cosmetics industry includes skin care, hair care, and oral care and color cosmetics (this covers face-wash, tooth paste and shampoo).

Review of Literature

Brand loyalty is a function of psychological (decision – making, evaluative) process. According to prior studies by the author decision making is an essential element of brand loyalty. This point of view is in line with the information – processing paradigm, which is the dominant point of view in consumer behavior Thiyagaraj. V (2015). Studies showing relationship between age and green behaviour is inconclusive. One study shows positive correlation between the two while other shows negative correlation between the two. Regarding education, consumers with higher level of education show greater concern for environment and more like to consume products that least affects the environment. Income positively correlates with

environment. People with higher and middle income are more likely to engage in pro-environmental consumption. Roberts (1996) If new eco-label is innovated and created consumer characterized based on issue relevant knowledge and motivation are likely to adopt this. Consumers' scoring highly on this is early innovators and adopters. This segment had knowledge and information provided in the eco-label is enough for decision-making. So the consumers who are reluctant adopters should be targeted increasing adaptation of eco-labels. John Thøgersen, PernilleHaugaard and AnjaOlesen(2010).

ElhamRahbarand Nabsiah Abdul Wahid(2011) studied the relationship between green marketing tools(eco-brand, eco-label and environmental ads) and added a new dimension to green marketing tools trust in eco-label and eco-brand. The result of the study is that trust in eco-brand and eco-labels has a positive effect in purchase behaviour. The trust helps them in purchase decision-making regarding environmentally friendly products. Environmental ads do not have influence on purchasing behaviour, it increases knowledge and provide guidance for purchase of environmentally friendly products.

Research methodology

Both primary and secondary data were collected for this study. A structured Questionnaire was designed to collect primary data. A sample size of 120 respondents was selected. The data collected from customers were tabulated and analyzed based on the lines of objectives of the study.

Statistical tools

The Statistical methods are:

1. Percentage Analysis the number of respondents for each factor is converted into percentage basis.
2. Chi-square Analysis: Chi- square is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. Chi- square describes the magnitude of the discrepancy between theory and observation.

Formula

$$\chi^2 = (O-E)^2 / E$$

O=Observed frequency

E=Expected frequency

Research hypothesis

- There is no significant difference between age of the respondents and different brand of herbal face wash.
- There is no significant difference between the educational qualification and ingredients details printed.

Table 1 .Showing Demographic profile of the respondents

Characteristics		No. of respondents	Percentage (%)
Gender	Male	24	20
	Female	96	80
	Total	120	100
Age	Below 20 yrs	10	8.33
	20-30 yrs	20	16.67
	30-40 yrs	46	38.33
	40-50 yrs	16	13.33
	50 yrs& above	28	23.33
Total	120	100	
Monthly Income	Below Rs.20000	14	11.67
	Rs. 20000-30000	22	18.33
	Rs. 30000-40000	68	56.67
	Above Rs. 40000	16	13.33
Total	120	100	
Occupation	Housewife	44	36.67
	Government employee	8	6.67
	Private employee	28	23.33
	Business	12	10.00
	Others	28	23.33
	Total	120	100

Inference

Table.1 reveals that majority of the respondents were female as purchasing was made by female in the study area. It is quite interesting to note that majority of the respondents is in the age group of 30-40 years. 36.67% of the sample consisted of housewife, 23.33% comprised of private employee and others, 10% of respondents were doing business and the rest 6.67% were government employee. More than 50% of the respondents belong to the monthly household income of Rs. 30000-40000 respectively.

Table 2 Significant difference between age of the respondents and different brands of face wash -Chi-square test:

Age	Different brands of face wash			
	Himalaya	Khadi herbal	Patanjali	Lotus
Up to 20 years	4 (0.66)	0 (2.16)	2 (0.43)	4 (2)
21 – 30 years	8 (1.33)	2 (1.26)	4 (0.86)	6 (1)
31 to 40 years	10 (0.42)	14 (1.63)	8 (0.16)	14 (0.02)
41 to 50 years	4 (0.02)	2 (0.62)	6 (0.17)	4 (0.2)
Above 50 years	6 (0.29)	8 (0.62)	12 (7.31)	2 (2.31)
Total	32	26	38	24

Calculation

Level of Significance 5% = 0.05

Degrees of Freedom = (r-1) (c-1)
 = (5-1) (4-1) = 12

Table value (TV)

= 21.026

Calculated value (CV)

= 23.47

$X^2 = \sum (O_i - E_i)^2 / E_i$

C.V > T.V 23.47 > 21.026

Inference

As the calculated value is greater than tabulated value the null hypothesis is rejected. Hence it concludes that there is significant difference between age of the respondents and different brands of face wash.

Table.3: Significant difference between the educational qualification and printed matters in the product packaging -Chi-square test

Educa-tional Quali-fication	Printed matters in the product packaging				TOTAL
	Manu-facturing date	Qual-ity	Quan-tity	Price	
SSLC	4 (0.33)	4 (0.33)	4 (0)	2 (0.53)	20
H.SC	6 (0.025)	4 (0.04)	2 (1.63)	10 (9)	24
UG	10 (0.13)	8 (0.46)	10 (0.30)	6 (0.14)	42
PG	12 (0.95)	8 (1.65)	8 (1.65)	2 (2.370)	34
Total	18	24	36	22	120

Calculation

Level of Significance 5% = 0.05

Degrees of Freedom = (c-1) (r-1)
 = (5-1) (4-1) = 12

Table value (TV) = 21.026,

Calculated value (CV) = 20.145

$X^2 = \sum (O_i - E_i)^2 / E_i$

C.V < T.V 20.145 < 21.026

Null Hypothesis: There is no significant difference between the educational qualification and printed matters in the product packaging.

Inference

As the calculated value is lesser than the tabulated value the null hypothesis is accepted. Hence it concludes that there is no significant difference between the educational qualification and printed matters in the product packaging.

RECOMMENDATIONS

The following are recommended by this intensive study

- Clearly state environmental benefits;
- Explain environmental characteristics;
- Explain how benefits are achieved;
- Ensure comparative differences are justified;
- Ensure negative factors are taken into consideration; and
- Only use meaningful terms and pictures.

CONCLUSION

The ideology of “always me, always me” of profit-making companies has no longer any effect. The opinion of Rakesh Khurana and Nitin Nohria, professors of business administration at Harvard, is such that priority should take its place in the professional literature with an oath similar to the Hippocratic Oath. The concept of creative capitalism defined by Bill Gates underlines that the leaders of future generations are responsible not only for obtaining desired results but also for the impacts of their decisions on elements other than their own companies and markets. Thiyyagaraj, V. (2015)

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