

TRANSITION TO GREEN MARKETING- AN EXPLORATORY RESEARCH ON CONSUMERS IN TIRUPPUR CITY



commerce

KEYWORDS : Green marketing, Consumer attitude, Consumer buying behavior, characteristics of green products.

THIYAGARAJ.V.

Asst. Professor of Commerce, PG & Research Dept. Of Commerce, Chikkanna Government College, Tiruppur, India

ABSTRACT

Green marketing is the marketing of products that are presumed to be "environmentally safe". Earth has limited resources and it is our duty to make judicious use of it. By implementing green marketing measures to save the earth's resources in production, packaging, and operations, businesses are showing consumers they too share the same concerns, boosting their credibility. Divergent aspects of green marketing include ecologically safer products, recyclable and biodegradable packaging, energy-efficient operations, and better pollution controls. This study analyzes the attitude of the respondents towards the consumer behavior, awareness, and satisfaction of green product attributes. The study was carried out in Tiruppur city. Data Collected are analyzed by using the statistical tools of percentage analysis and weighted average method. This study conclude that awareness of the green products are not in the high level companies are focus on creating the awareness of the product.

INTRODUCTION

Indian industry today strongly faces the challenges of controlling environmental impact of their business i.e. reducing carbon footprint. The degrading environment has raised many questions before the learned group and has demanded for urgent action or else their own survival will be at stake. Businesses have grown exponentially ignoring the environment and the social part in the society the world over and India is no exception. Business are the prime area where green philosophy needs to be appreciated and implemented for providing stability to the society and the environment alike. In this respect banking sector can play a very crucial role in promoting environmentally sustainable and socially responsible investments.

Thus green marketing incorporate a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Green marketing concepts is the new concept in the Indian concept but it can be changed only with the help of consumer awareness towards the green products. Consumer behavior are changed in every minutes due to the changing the marketing trends. Now a days consumers are knowingly or unknowingly considering the environmentally friendly symbol of the product due to the influence of the company introduction of the product with environmentally friendly nature.

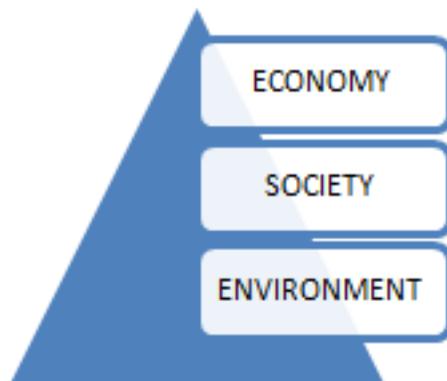
ORIGIN AND PHASES OF GREEN MARKETING

Green marketing is a concept was evolved with the consideration of the issue of environment degradation. Companies are involving the concept of green marketing with the activities of corporate social responsibility. This concept was originated in the late 1980 and before 1990. It was introduced in the three phases of marketing. It was introduced in the three phases of marketing. The first phase was ecological marketing it give importance to all marketing activities are find out the environmental problems and solves it. Second phase environmental marketing, this marketing focus shifted to clean technology that involved designing of innovative products and activities which take care of pollution and waste issues to save the environment. Third phase deals with sustainable marketing. It came into existence in the late 1990 and early 2000. **Keywords:** Green marketing, Consumer attitude, Consumer buying behavior, characteristics of green products.

According to American Marketing Association (AMA), "Green marketing is the marketing of products that are presumed to be environmental safe". Thus green marketing incorporate a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising.

The responsibility of protecting the earth now lies in the hands of every individual and businesses. There exist a close relationship between green marketing and green banking and the ultimate objective of the two is to provide green environment to the society through its protection and judicious use. Though industrialization and developmental activities has provided all comfort and luxury to human beings it has done so at the cost of our environment. Green marketing refers to the marketing of the products that are presumed to be environmentally safe.

Figure.1. Illustration of interconnection of Economy, Society & Environment



Green marketing can act as an important tool for accelerating and providing solid foundation to the green banking concept seeing the important role that the bank play in the society. Green banking refers to an effort or initiatives taken by the banks to make the industries grow green and in the process restore the natural environment.

SCOPE OF THE STUDY

One of the biggest problems with the green marketing area is that there has been little attempt to academically examine environmental or green marketing. This paper attempts to

- 1) To introduce the terms and concepts of green marketing,
- 2) To discuss why going green is important,
- 3) To know why the manufacturers and marketers launch eco-friendly products.
- 4) To mention some of the problems with green marketing.

CHARACTERISTICS OF GREEN PRODUCTS: The products those are manufactured through green technology and that caused nonenvironmental hazards are called green products.

Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development. We can define green products by following measures:

- Products those are originally grown,
- Products those are recyclable, reusable and biodegradable,
- Products with natural ingredients,
- Products containing recycled contents, non-toxic chemical,
- Products contents under approved chemical,
- Products that do not harm or pollute the environment,
- Products that will not be tested on animals,
- Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

REVIEW OF LITERATURE

Green marketing as an important tool is being considered as one of the major development and changes in the modern world of business (Kassaye 2001; Pujari and Wright 1996, Gurau and Ranchod 2005). Companies in the modern time have started taking seriously their responsibility towards society and as such their marketing strategy involves social responsibility aspects as well considering the consumer awareness for the environment and sustainable development (Kurtz and Boone 2006; Samli 1992; Polonsky, et al., 1997). Some of the companies that have switched to green marketing and doing quite well include, Suzlon Energy, ITC Limited, Tata Metaliks Limited (TML), Tamil Nadu Newsprint and Papers Limited (TNPL), Wipro Technologies, HCL Technologies, Oil and Natural Gas Company (ONGC), IndusInd Bank, IDEA Cellular, Hero Honda Motors, etc (Thambi,V).

Today we all are talking about sustainable development and green marketing and green banking both strive for the same. As per the Brundtland Commission Report (1987), Sustainable development is defined as "the development that meets the need of the present generation without compromising with the future generations to meet their own needs" (WCED, 1987). Green marketing has been defined in many ways since the term first originated in 1970s and took its actual journey in the late 1980s. Similarly, Peattie (1995, 1999) has defined in terms of customer satisfaction; Charter (1992) looks at the strategic dimension of the activities that will have long-term effects; Pride and Ferrel (1993) has stressed on the need for sustainable development; Welford (2000) talks about the management process that looks into the requirements of customers and society in a profitable and sustainable way. Thus, several definitions can be seen from in the literature the central meaning of all however, remains the same viz. protecting the environment. Green marketing is faced with several specific challenges depending on factors such as the variability of demand, unfavorable consumer perception and high costs. Though there are several challenges and of different nature in its effective

implementation the world over, with proper planning and strategy one can definitely stand on the winning seat.

All this can be understood from the success stories of many companies. In fact, it can be realized that this green marketing has come up as a savior for the developing countries and it can be truly said that it provides an opportunity for them to prove themselves and carve a niche for themselves. This is a very pertinent question that would come to any layman mind as to why this green marketing. The concept owes its origin after a section of people felt necessary to do something for protecting the environment. The idea first got its birth in 1980's and since then it had its journey from one country to another and to another and it is continuing.

The question of why green marketing has increased in importance in quite simple and relies on the basic definition of Economics: "Economics is the study of how people use their limited resources to try to satisfy unlimited wants." The definition given by J. Polonsky, Pride & Ferrell, Ken Peatite, Charter, Mintu and Lo-

zada, etc. clearly points out the message inherent in it.

AyselBoztepe (2012) in his article "Green Marketing and Its impact on Consumer Buying Behaviour" aims to give information about the effect of green marketing on customers purchasing behaviors. According to the results of the analysis, environmental awareness, green product features, green promotion activities and green price affect green purchasing behaviors of the consumers in positive way.

Each definition has same goal of achieving sustainable development. Of late we have done enough harm to the environment. It was our mere greed that has led to all this mess. Now, when our own existence at stake, we have started to think about the environment that has given us so much and that needs our care or else it will be too late to repair the loss. Mankind has limited resources on the earth, with which he/she must attempt to provide for the worlds' unlimited wants.

In market societies where there is "freedom of choice", it has generally been accepted that the individuals and the organizations have the right to attempt to have their wants satisfied. As the firms face the limited natural resources, they must develop new or alternative ways of satisfying these unlimited wants.

Ultimately, green marketing looks at how marketing activities utilize these limited resources, while satisfying consumers wants, both of individuals and industry, as well as selling the organization's objectives. Green marketing has certain objectives to be fulfilled for its inclusion in the business arena to be meaningful. Green marketing is faced with several specific challenges depending on factors such as the variability of demand, unfavorable consumer perception and high costs.

LIMITATIONS OF THE STUDY

This study applicable only to Tiruppur city only it cannot be generalized in other areas, the same area result of this study maybe changed in future due to the changing the business and social environment. Respondents' responses also change from time to time according to their mood. Research tools used in this study have some limitation the same limitation is applicable to tools apply for this study.

RESEARCH METHODOLOGY

1.1 Research Design

Research design refers to it is a path or way of carried out the research. This research is a descriptive nature, it is comes under the conclusive research. It describes the characteristics of the population with the conclusion. Convenience sampling method is used to collect the sample size of 293 respondents.

1.2 Statistical Tools

Statistical tools are used to analyze the relationship between categorical variables weighted average method. This test weightage was assigned to the scale of the variables and every observed variable value is multiplied with the corresponding scale value. Then divide the multiplied value by total number of responses. We can get some scale value according to this we can interpret the results.

Table.1 Awareness of Environment Degradation

Environment degradation	Frequency	Percent
Global warming	108	36.86
Pollution	204	69.62
Climate change	74	25.25
Acid rain	38	12.96
Others specify	0	0

Total number of respondents: 293

Inference

On the basis of respondents awareness about the environment-degradation, 204 respondents are feel that pollution is the result of environmentdegradation, 108 respondents are feel that global warming is the consequencesof environment degradation, 74 respondents feel that climate change is theimpact of environment degradation, 38 of the respondents feel that Acid rain is the impact of environment degradation.

Inference

From the table1&2 it is explains the respondents belief on the characteristics of the green products, environmental claims in the green products are not fullyaware of the respondents from the weighted average score Recyclable (4.20), reusable (3.85) energy conservation (3.80),water conservation (3.76) biodegradable (3.55)

explain respondents are believe that green productare probably to the above mentioned claims, another one is that shows that respondents believed that biodegradable (3.55)green products are possible to be bio degradable.

Table.2Respondent’s opinion on characteristic Green Products

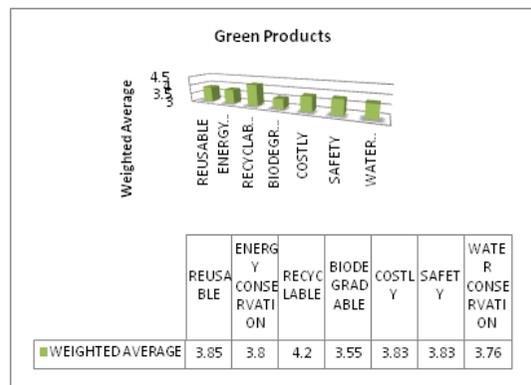
Green product characteristics	D	P	PS	PN	DN	TOTAL	WA
Reusable	450	440	61	22	10	293	3.85
	76	90	183	44	10	1127	
Energy conservation	103	89	55	32	14	293	3.80
	515	356	165	64	14	1114	
Recyclable	146	88	35	21	3	293	4.20
	730	352	105	42	3	1232	
Bio degradable	62	92	99	27	13	293	3.55
	310	368	297	54	13	1042	
Costly	101	84	76	21	11	293	3.83
	505	336	228	42	11	1122	
Safety	102	89	61	31	10	293	3.83
	510	356	183	62	10	1121	
Water conservation	93	103	53	24	20	293	3.76
	495	412	159	48	20	1104	

(WA-Weighted Average ,P-Probably,PN-Probably not)

Suggestions1.Government should take proper awareness programme by providing subsidies or by providing discounts on green products in order to attract the people to purchase green products and green products must be readily made available to green consumers.

2.Even though people of all income level groups are aware of green products, they are not properly informed about various green products available around them.

Figure.2Green products & attributes



3.People must be educated to understand the difference between green product and non-green product.

4.Young entrepreneurs must be made aware of the benefits of green product and must be motivated to start the production of green products of good quality.

5.Marketers of green products need to be honest and express the real characteristics of the products.

1.2Suggestions

Government should take proper awareness programme by providing subsidies or by providing discounts on green products in order to attract the people to purchase green products and green products must be readily made available to green consumers.

Even though people of all income level groups are aware of green products, they are not properly informed about various green products available around them. So proper measures should be taken by the government or producers to give proper propaganda to them.

Selecting the right name for the green product is very important to differentiate between non green products and green products.

Companies should make every possible effort to undertake research and development in order to come up with green products in the interest of the consumers well-being and society in general.

CONCLUSION

From the study the researcher understand that awareness of the greenproduct is not in the high level among the consumers, and they are not willingnessto pay little extra price for the green products and not satisfied with theAffordability of the green products and also consumers are highly considered thebrand and Quality in their purchase decision. This research is useful forbusiness, government, and also researchers those who are involved in the fieldof green marketing and buying behavior and conservative environmentalbehavior of the respondents.

REFERENCE

- Books: | 1. Aggrawal, Artee, Chaudhary, Richa and Dr.Gopal (2010) "Green Marketing in India – Way Ahead to Sustainability", SIES National Research Marketing Conference, Vol. 1, No. 1, pp.23-29. | 2.Batra, S.K., &Kazmi, S.H.H., (2008). Consumer behavior: Text and cases (2nd Ed.). New Delhi: Anurag Jain for Excel Books. | 3. Kothari, C.R., (2004).Research Methodology (2nd Ed.). New Delhi: New Age International (P) Limited. | Journals: | 1.Ali, A., & Ahmad, I. (2012). Environmental friendly products: Factorsthat influence the green purchase intension of Pakistani consumers.Pakistani Journal of Engineering and Technological Sciences, 2 (1), 84-117. | | compete with the changing buying behavior | among customers | | 2.Aysel Boztepe.2012 "Green Marketing and Its Impact on Consumer Buying Behaviour". European Journal of Economic and Political Studies.ejeps-5(1) | 3. Boztepe, A., (2012).Green marketing and its impact on consumerbuying behavior. European Journal of Economic and Political Studies,5-21. | 4. Bukhari, S.S. (2011).Green marketing and its impact on consumerbehavior. European Journal of Business and Management, 3 (4), 375-383. | 5. Chang, N.J., &Min-Fong, C. (2010). Green product quality greencorporate image green customer satisfaction and green customer loyalty.African Journal of Business management, 4 (4), 2836-2844. | 6. Cheah, L., &Ianphau. (2011). Attitude towards environmentally friendly products: The influence of Eco literacy interpersonal and valueorientation. Marketing Intelligence and Planning, 29 (5), 452-472. | 7.Chen, T.B., & Chai, L.T. (2010). Attitude towards the environment andgreen products: consumer perspective.Journal of management scienceand engineering, 4 (2), 27-39. | 8. Drozdenko, R., Jensen, M., & Coelho, D. (2011).Pricing of greenproducts: Premiums paid consumer characteristics and incentives.International Journal of Business Marketing and Decision Sciences, 4(4), 106-116. | 9. Fraj, E.& Martinez, E., (2006). Environmental values and lifestyles asdetermining factors of ecological consumer behavior: An empiricalanalysis. Journal of Consumer Marketing, 23 (3), 133-144.9. Hemantha, Y. Green marketing – An exploratory research onconsumers in Bangalore city. Journal of Research in Commerce andManagement, 1 (9), 84-96. | 10.Iravani, M.R., Sadeghizadeh, M., Amirzaforoza, Shafaruddi, N., &Mahrueian, H. (2012).Study of factors affecting young customers to choose products.Journal of Basic and Applied Scientific Research,5534-5544. | 11.Ishawini., &Datta, S. (2011). Pro Environmental concern influencinggreen buying A study on Indian consumers. International Journal ofBusiness and Management, 6, 124-133. | 12.Juwaheer, D.T., Pudaruth, S., &Noyaux, M.M.E., (2009) Analysing theimpact of green marketing strategies on consumer purchasing patterns inMauritius. World Journal of Entrepreneurship Management andSustainable Development, 8 (1), 36-59. | 13.Maheswari, A., &Malthotre, G. (2011). Green marketing: A study onIndian youth. International Journal of Management & Strategy, 11 (3),1-8. | 14.Mourad, M., & Ahmed, Y.S.E. (2012). Perception of green brand in anemerging innovativemarket. European Journal of InnovationManagement, 15(4), 514-537. | 15.Nik, N.R., & Rashid, A. (2009). Awareness of Eco Label in malaysia'sGreen marketing initiative. International Journal of Business andManagement, 4 (8), 1-7. | 16.Paco, A.D., &Raposo, M. (2009).Green segmentation an application tothe Portuguese market. Marketing Intelligence and Planning, 27 (3),364-379. | | 17.Rahbar, E., & Wahid, N.A. (2011). Investigation of green marketingtools effects on consumer purchase behavior. Business strategy series,12 (2), 73-83. | 18.Ramanakumar, K.P.V., Kumar, C.G.M., & Suma, S.R. (2012).Consumer attitude towards green products of FMCG sector: Anempirical study. International Journal of Research in Commerce andManagement, 3 (2), 34-38. | 19.Sexana, R., &Khandelwal, P. (2010). Can green marketing be used as atool for sustainable growth: A study performed on consumers in India:An emerging economy. The International Journal of EnvironmentalCultural Economic and Social Sustainability, 6, 277-291. | 20.Sikroria, R., &Srivastava, V. (2012). Analysis of environmentconsciousness and greenproduct marketing among consumers.International Journal of Business and Management Tomorrow, 2 (8), 1-5. | 21.Souza, C.D., Taghian, M., &Khosla, R. (2007).Examination ofenvironmental belief and its impact on the influence of price, quality anddemographic characteristics with respect to green purchase intention.Journal of Targeting, Measurement and Analysis of Marketing, 15 (2),69-78. | 22.Thakur, & Gupta, S. (2012). Exploration of Green shift: shift fromtrendy marketing to environmental friendly Green marketing,International Journal of Arts and Science, 1 (7), 1-6. | 23.Zakersakehi, M., &Aminzakersalehi. (2012). Consumer attitude andpurchasing intension towards green packaged foods: A Malaysianperspective. International Journal on Economics Marketing andManagement, 28, 1-5. | Websites: | 1.Communityinitiative.(n.d).RetrievedAugust 02, 2013, fromhttp://www.hclinfosystems.in/about-us/community-initiative. | 2. Corporate Responsibility. (2013). Retrieved August 05, 2013, fromhttp://www.dell.com/learn/in/en/incorp/1/cr | 3. Environmental legislation in India. (n.d). Retrieved on July 10, 2013,from http://sjvn.nic.in/projects/environmental-regulations.pdf | 4. Green marketing. (July 11, 2013). Retrieved August 08, 2013, fromhttp://www.En.wikipedia.org/wiki/Green-marketing. |