Research Paper Management

Consumer Purchase Attitude And Behaviour With Respect to Brand Preference and Brand Loyalty For Environmentally Favourable Products

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ABSTRACT

The objective of this research study is to understand the level of brand loyalty of Indian customers on purchase of green products and services, to distinguish brand loyal potential consumers and brand switchers in the Indian green products market. From this study, we can provide useful information to companies for developing their competitive branding strategies. There is at present, a tough environment for marketers of eco friendly consumer products. There is substantiation that consumers are willing to pay more for eco-green products. Potential consumers are not buying eco-green products they claim when polled. This study provides a review of the literature concerning the gap in the attitudes and behaviour in purchase of environment friendly products. The two factors as suggested, because of which the consumer buying and consumption behaviour can be strengthened are customer involvement level and perception of consumer efficiency. In this research, the exploration of importance of Brand Loyalty towards green products and the success of organizations is established.

KEYWORDS Attitude, Brand Loyalty, Preferences

Introduction:

The effort is made in trying to find out factors that influence the brand loyalty of the potential green consumers and also analyse reasons as to why potential consumers are frequently switching from one brand to other brand. In the current scenario, most potential consumers are brand conscious for green purchases. They believe a "green" branded product will be adding value to the environmental sustainability. Green Branded products are becoming status symbols among large chunk of customers. In such situation, multi-national organizations need to identify as well as understand the green brand preferences of customers and the factors affecting the green brand loyalty of customers. The key reason for choosing this research topic is the importance of green branding and green brand loyalty popular in the current business scenario. The research is done in India because; India's commercial industry is also giving more importance for green branding of products and services. Marketing managers realize the growing trends of green brand switching and recognize that customer retention is easier as well as more reliable source of higher performance. The research is based on using various factors of brand loyalty to distinguish hard-core loyal customers and brand switchers. This study, first depicts a theoretical framework of brand loyalty, its factors, and a conceptual model to reveal the relationship of the variables. Then it describes research hypothesis, methodology of research, design and data collection. A survey questionnaire is administered to collect data from Indian customers. The findings classify respondents into green brand loyal customers and brand switchers and to distinguish potential consumers by different factors of green brand loyalty. Finally, the study concludes with a discussion of recommendation on strategies for green products marketers and future research directions.

Rationales of the study

In the modern era, green products industry is showing intensive growth and development all over the world. Especially in India, green products play a vital role in the Indian market. Green products industry in India is in the path of quick development and expansion. The green products industry is rich with number of product lines, brands and brand expansions. It is a highly sustainable source of income because of the influence of green products on Indian customers. In the present scenario, most of the potential green consumers are branding conscious. They believe a green branded product will be adding on to the issue of environment sustainability. Green branded products are also becoming status symbol among large number of consumers In such a situation, brand loyalty of green customers is vital for businesses to survive in this competitive business world. An organization that has the clear understanding about perceptions of green customers on a green brand can only satisfy their expectations on a product and maintain the customer's loyalty for their eco-brands. Marketing managers realize the growing trends of brand switching and recognize the customer retention as an easier and more reliable source of superior performance (Reichheld & Sasser, 1990). Therefore it is important for marketers to acquire more knowledge in green brand loyalty. It is because of these reasons that a research on the brand loyalty of green products in India has been found relevant and imperative.

Literature Review:

Research claims that despite Indian potential consumers for green products expressing concern about the environment, they are unwilling to purchase or pay a higher price for eco friendly products (Ottman 1992, Schlossberg 1991, Jay 1990). These studies also reveal that green potential consumers don't buy the eco-green products that they claim when polled (Jay 1990). A more recent report by Roper organization (2002) showed that environmental concern amongst the general population was on a decline with 59% of the general population not even thinking of participating in eco friendly activities. Despite a diminishing interest in overall environmental protection, the same poll surprisingly revealed that contrary to the above pattern, Indians were willing to purchase and even pay more for specific products that help conserve energy or are less polluting, such as major appliances, hybrid cars and electricity. These results reveal a challenging consumer environment for marketers of eco friendly consumer non-durable products, i.e. eco-green products. As a result, managers desire guidance on how to position environmental friendly actions (Osterhus 1997). An overall decline in eco friendly behaviours has accounted for a decrease in eco-green buying or purchase of environment friendly products with only 23% of the polled potential consumers having bought products made from recycled material, down 3% from the previous year (Roper 2002). It is often difficult for researchers to measure actual behaviour thus attitude measurements are hoped to predict behaviour. This study focuses on one specific environmental conscious behaviour – purchase of environment friendly products or eco-green buying. Purchase of environment friendly products is defined as a consumer's purchase behav-

iour influenced by environmental concerns (Shrum et al. 1995) to seek products and services with minimal impact on the environment (Mainieri et al. 1997). Simply, it translates into consumption behaviours such as purchase of eco-green products and services (Easterling et al. 1995), such as purchasing products made from recycled study.

A review of literature in the area of purchase of environment friendly products revealed a bulk of research directed towards building a descriptive profile of the eco-green consumer by using geographic (Samdahl and Robertson, 1989), cultural (Webster, 1975), personality (Kinnear et al. 1974) and a variety of socio-demographic measures. However, despite in- depth investigation and popular belief socio- demographic variables have proven to be poor predictors of eco responsible behaviors (Kinnear et al. 1974; Weigel 1977; Antil 1984; Balderjahn 1988; Samdahl and Robertson 1989; Roberts 1996). Though there is moderate support that suggests a significant correlation between gender, age income, location and eco responsible behaviour (Tognacci et al. 1972; Buttel and Flinn 1978) Compared to socio-demographic variables, personality traits (such as tolerance, understanding and harm avoidance) were found to be significant predictors of environmental responsible behaviours (Kinnear et al. 1974; Arbuthnot 1977; Borden and Francis 1978; Antil 1984a). In other words, those who were more open to new ideas (acceptance) with a strong desire to know how things work (understanding) and is concerned about being harmed by pollution would be more concerned about the environment.

Research Objectives

- To carry out an in depth research on eco-brand loyalty of Indian customers on green products and brands.
- To distinguish eco-brand loyal potential consumers and brand switchers in the Indian green products market by analysing factors of brand loyalty.

The specific objectives of the study would be:

- To analyse the factors of eco-brand loyalty
- To find out the factors of brand loyalty which are influencing customers to be eco-brand loyal or brand switchers
- To discuss about the Indian green products industry and the challenges faced by the industry in the present scenario.

Data Analysis:

The data collected through administering the questionnaire, from secondary and published sources, and many other multiple sources has been analysed through various statistical and analytical methods and subsequently presented as below. A questionnaire was administered to the green products potential consumers who are visiting the Organized retail outlet for shopping. Ethical issues play a major role in the outcome of the research. The sample population under consideration can be support of the researchers work or against it. The researcher will face these issues because the research data will be collected from different consumer. The responses will be different to each and every customer. Since they may not want to disclose any of their interests or may not find the time to do so, this may prove as a main limitation to the research. They may not comply with answering the questionnaire due to time constraints or other ethical issues. The researcher will also provide privacy to the information provided by the respondent. Even though ample amount of information may be available through the internet and journals, other secondary sources may not necessarily give the required information for which the researcher will have to take efforts. This is another shortcoming of the research. Other limitations include the validity of data that the respondents may provide. It is highly likely that the respondents may be casual in their approach to answering the questions or they may not give out accurate information for a variety of reasons. All of these are bound to affect the quality of the research conducted which will have to be suitably accounted for.

It was a very important qualifying question of this research. The respondents are directly asked question. Are they loyal to any particular green products green brands? The result of this question will create two groups. The respondents who are answering "yes" will be green brand loyal potential consumers and who are answering "No" will be green brand switchers for the whole research study. According to the responses, 28% of the respondents agreed that they are loyal to a particular green brand of green products and 72% of respondents are not loyal to any particular green brand of green products. In the light of these results, the researcher assumed that 28% of respondents are green brand loyal potential consumers and rest of them are treated as green brand switchers. The percentage of green brand loyal potential consumers will be constant for the whole research. For this purpose, the portions of green brand loyal potential consumers is coloured in eco-green for all graphical representations.

According to the responses, 42% of green brand switchers are agreeing that the green products green brand is tasty and 30% of green brand switchers are disagreeing that statement. The green brand loyal potential consumers (28%) are neutral. They are not disagreeing the statement. The results clearly show that green brand switchers giving more importance for the taste, while the green brand loyal potential consumers are not that much attached to the taste of green products.

Findings & Conclusion

This major findings and conclusion of the research named "An investigation on the green brand loyalty of green products in India". There will be a brief explanation of the research findings from the analysis and how it related to the research question. The research findings are resulted from the survey. The survey did on a sample size of 100 Indian potential consumers of green products. Among the 100 potential consumers, there were 68 male customers and 32 female customer of different age groups such as, (15-25), (25-35) and 35 above. The buying and consumption of green products are mostly visible in the age group of (15- 25). The research was doing in two organized retail stores in Indian.

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