

Green marketing & consumer behaviour a case study of consumer durable products

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Abstract

While globalization process continues in its full speed across the world, this process has also brought some serious problems with it. Leading one of these problems is environmental problems that affect all living beings negatively. These aforementioned environmental problems have started to come to the agenda more and more in the recent years and people have started to talk these negativities. Consumers now have worries about the future of the world and as results of this mostly prefer environment friendly products. In return to these attitudes of the consumers, companies have started to form their marketing strategies so as to appeal increasing awareness of this environment-friendliness. These marketing strategies, named as green marketing, have caused companies to adopt green policies in their pricing, promotion, product features and distribution activities.

Keywords: Environment protection, Eco-friendly products, Green marketing, Population Growth

1. Introduction

Population Growth, Global Warming, exhaustion of Natural Resources are threatening the future of human beings, develops and revealed the concept of "Green Marketing". With the 'triple bottom line' or the three pillars of business - People, Planet and Profit; gaining more attention day by day, and green is becoming the new mantra of success in any business. On the other side, a new trend of Green Consumerism is also emerging, in which consumers are becoming more aware and concerned about the environment and looking for environment friendly products and companies are also doing their best by adopting Green Production Process.

Green marketing term was first discussed in a seminar on "ecological marketing" organized by American Marketing Association (AMA) in 1975 and took its place in the literature. In this seminar where the impact of marketing on natural environment was analyzed with the contribution of academicians, bureaucrats and other participants, ecological marketing concept was defined as follows: Studies regarding adverse or positive impacts on environmental pollution, energy consumption and consumption of other resources as result of marketing.

1.1 Necessity of Green Marketing

To gain a competitive advantage in the changing world, firms are following the demand trend of customers and make improvements of this development over time. On one hand, marketing and marketers have come to understand the importance of valuing and maintain a long term relationships with stakeholders who are rejoining reciprocal trust and loyalty. On the other hand, environmental management as a strategic tool not only improves control and reduces environmental impact but also develops business opportunities for company managers. The green marketing concept could be operationalized by using the marketing-mix.



Fig 1

1.2 Review of Related Literature

Saini Babita in her research article titled Green marketing and its impact on consumer buying behaviour in International Journal of Engineering Science Invention, Volume 2, Issue 12, December 2013 PP.61-64 conclude that green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. If you think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, think again. You must find an opportunity to enhance you product's performance and strengthen your customer's loyalty and command a higher price. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential.

Yeow Kar Yan & Rashad Yazdanifard in their research article titled The Concept Of Green Marketing And Green Product Development On Consumer Buying Approach In G.J.C.M.P., Vol.3(2):33-38 (March-April,2014), suggested that as the growing concern of ecological issues had begun to form, society and the government have started to be aware about these issues and begin to make changes to contain the negative impacts of these problems. Green marketing and product development have been deemed the best ways forward for a

business to be able to conform with new rulings from the government, and also to be able to comply with the behaviour of consumers from field studies in to the wants and needs. The firms believed that the ideas of green marketing such as implementing a green supply chain, green products design, packaging, pricing and promotion are beneficial to society and the environment; and therefore it has taken priority over conventional marketing initiatives.

2. Research Methodology

2.1 National Status of Green Marketing

The force of "Going Green" is now extending to the Asian region, where environmental threats are alarming local governments and citizens. The fast-growing economy in Asia has led to a vigorous rise of financially empowered consumers across Asia who is willing to spend more than previous generations. A progressive degradation of nature, air and water pollution, and ineffectiveness of technical solution to cope with environmental problems are often more severe in developing countries like India. It is found that 30-40% of natural degradation has been caused by the consumption activities of private households. Responding to the Indian environmental concern, one must focus on adoption of waste management system i.e. application of 3R (Reduce, Reuse, and Recycle).



Fig 2

2.2 Origin of Research Problem

As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So *Green Marketing* is inevitable. There is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned more about the environment and are changing their behavior accordingly. As a result of this, *Green Marketing* has emerged which speaks for growing market for sustainable and socially responsible products and services which obviously is the origin of the research problem.

2.3 Consumer Durables Industry

For the research study purposes selected Consumer Durables Industries in Maharashtra State is selected for study & observations and the consumers who purchases consumer

durable products therein as a sample under study because as is revealed from literature reviewed that these consumer durable industries contribute very heavily in polluting environment and air by remitting dangerous gases like Carbon dioxide, Nitrogen, Cadmium and lead, Polychlorinated biphenyls, Mercury & many more toxic & carcinogenic substances in the atmosphere. The other major reason for selecting these industries is as this sector have been witnessing momentous upswing in recent years, helped by drivers such as the emerging retail boom, real estate and housing demand, greater disposable income and an increase in the level of prosperous section of the population. The consumer durable industry comprises of major international and national players such as Samsung, LG, Sony, Panasonic, Whirlpool, Hitachi, Onida, Godrej, Dell, Lenovo, Nokia, Blue Star, Carrier, Lloyd & Videocon etc.

2.4 Product line segment for research purpose

The key product lines under each segment were as follows:

- Air Conditioners
- Fridge
- Mobile phones
- Computer
- T.V.
- Microwaves & Ovens etc.

3. Objectives

1. To Study the attitude of consumers towards green marketing.
2. To establish a relationship between consumer purchasing decision and green marketing.
3. To develop a suitable green marketing mix for consumers and companies.
4. To identify if education level affect the buying behaviour on consumers for eco-friendly products.
5. To identify if consumers are willing to pay more for eco-friendly products.
6. To identify consumers behaviour towards Quality of product, Green advertising, and green labelling.
7. To highlight the opportunities challenges being faced by consumer & companies.

3.1 Hypotheses

H₀ -The purchase attitude of buyers is not influenced by green marketing practices of organisations.

H₁ - A positive attitudes towards green products has a positive effect on the Consumers Intentions of purchasing green products.

H₂ - Consumers green purchasing intentions has a positive effect on the consumers Intentions of purchasing green products.

H₃ - Environmental knowledge has a positive effect on consumer's attitudes towards green products.

H₄ - Environmental concern has a positive effect on consumer's attitudes towards green products.

H₅ - Perceived innovation characteristics have a positive effect on consumer's attitudes towards green products.

H₆ - Quality of product, Green advertising and green labelling has a positive effect on Consumer's attitudes towards green products.

3.2 Universe and Sample

The present research study defines the various aspects of *Green Marketing* and its impact on Consumer Behaviour in State of Maharashtra. For the research study purposes selected consumer durable industries, their executives and the consumer who purchases consumer durable products were identified & selected. The Major focus of the study is heavily relied on understanding Consumer Behaviour. For the study research purpose Convenient Simple Random Sampling Method (CSRSM) is going to be used for the research.

3. The study relies heavily on primary as well as on secondary data.
4. The Study is restricted to Maharashtra state only.
5. The duration of the study is restricted only to three years i.e. from 01 – 07 – 2015 to 01 – 07 – 2018 or may be extended only up to completion of research work.
6. The result arises from research may or may not be applicable to other parts of states or countries.

S. No.	Industries	Industries top Level executives	Consumer
01	Samsung	10	30
02	LG	10	30
03	Sony	10	30
04	Panasonic	10	30
05	Whirlpool	10	30
06	Hitachi	10	30
07	Onida	10	30
08	Godrej	10	30
09	Dell	10	30
10	Lenovo	10	30
11	Microsoft (Nokia)	10	30
12	Blue Star	10	30
13	Carrier	10	30
14	Lloyd	10	30
15	Videocon	10	30
Total		150	450

Source: Primary Data

3.3 Primary Data

Primary data was collected through structured questionnaires from 150 top level executives of different consumer durable industries & 450 consumer respondents consuming different products of the companies. The questionnaire contained various aspects regarding Green marketing, Consumer behaviour towards green marketing, Environment pollution caused by such products, what preventive measures must be taken by organization to minimize pollution & how this consumer durable industry will be helpful into eco-friendly resources for the overall development of the society.

3.4 Secondary Data

Secondary Data is going to be collected through Annual Report of Companies, Books, Journals, Magazines and other related literature.

3.5 Scope of Study

The scope of the study revolves around two prime focuses i.e. one from consumer point of view and other from organisation point of view.

From consumer perspective – qualitative Eco-friendly product at a lesser price &

From organisation Perspective – Customer satisfaction, brand loyalty, & profit maximization.

4. References

1. The study comprises of green marketing and its impact on consumer behaviors with respect to selected consumer durables aspects only.
2. For research purpose only selected top brand of selected companies & consumers were identified for research.