

Impact of Green Marketing on Consumer Purchase Intention and Sustainable Development

MS Jeevandas Lekshmi D Nair, Soni Vivek

Abstract: Today, the term "eco-friendly" is a prevalent and most alluring word within general population over the globe. As we are now aware about the harm mankind is creating to environment, the eco friendly and green products are gaining popularity. Sustainable development is yet another common term in this era. This study conducted in the southern districts of Kerala focuses on how green marketing leads to purchase intention of the products and then towards sustainable development. Even though the term green marketing is not familiar within Keralites, they are much passionate about eco friendly or green products. A sample of 200 was collected and analysed using average percentages, correlation and chi-square tests so as to determine how green marketing tools improves purchase intention of the customers, trust of customers towards ecolabelling and also to understand how green marketing and sustainable development are interrelated. The results after analysis of data disclosed there are a large number of prospective customers for green products and subsequently their number can be increased with increased initiatives in green marketing activities. The conclusions from the study can be additionally used to dissect the influence of green marketing on the purchase motivation of the customers in different areas, accordingly adding to a supportable improvement of the economy.

Keywords: Green marketing, green washing, green myopia, sustainable development.

I. INTRODUCTION

In this new era of globalization, people are moving forward for new innovations and new technology. Green marketing can be considered as such innovative step in marketing sector. Green marketing is defined as all the activities involved in marketing of products and services that are presumed to be environmentally safe. (American Marketing Association).

Green marketing consists of a large number of activities, including product alterations, various changes to the procedure of production, changes in packaging, and moreover making innovations to promotional activities.(Dr. Sanjay Keshaorao Katait, 2014)

Such a product can be termed as a green product which are environment friendly by itself or produced in an environment friendly method. Pride and Ferrell in 1993 defined green marketing which also known as 'environmental marketing' or 'sustainable marketing' as the efforts made by an organisation for producing , pricing, distributing and promoting their goods that are supposed to be environmentally safe. The term green marketing took its origin in late 1980s and early 1990s from the first book published named 'Ecological Marketing'.

Revised Manuscript Received on April 07, 2019.

Lekshmi D Nair, 1st Year M.Com Student Department of Commerce
Amrita Vishwa Vidyapeetham, Amritapuri, India.

Soni Vivek, Assistant Professor, Department of Management
Amrita Vishwa Vidyapeetham, Amritapuri, India.

(Anupama Vohra, Vishal Kumar Laheri and Hamendra Dangi, 2014).According to Piattie in 2001, the green marketing evolution consist of three stages—the first stage 'Ecological marketing' concerns about environmental issues in companies and they are trying to find ways to overcome those issues. The evolution connects the ecological problems with the marketing to find new ways of sustainable development; the second stage was 'Environmental Marketing' where consumers demand for new green-friendly product, pollution-free technologies and also people who works for the environment, for instance, green political parties. The third stage of green marketing is 'Sustainable marketing' and is completely based on sustainable development, focussing on current generation needs without compromising future generation resources. The CSR activities started from the financial reports Ben and Jerry's, two ice cream sellers as well as the Brunt land Statement of Sustainable Development by World Commission on Environment and Development was the step towards sustainability every day. Green marketing seems to be heard as a simple task but it was not that easy. It constitutes a broad range of activities from the concept to the customers in a way so that it is less detrimental to the environment.

II. LITERATURE REVIEW

According to Moisander (2007) Green consumerism is the process of making purchase and non purchase decisions by the customers, based on environmental and sustainable criteria. According to Ottman, everyone in this world is a green consumer. With the time, the need of customers will also increase. And this makes firms, business owners, corporations focus on green marketing more to withstand the competition; else those who do not meet the requirements of customers will gradually go down and lose business. The customers of green products mostly include people with traditional outlook as well as those who are health conscious. Some people prefer buying green products as they closely consider factors such as ecolabelling, green washing and so on and the other group of people who do not have any knowledge about the product but solely buys them based on their advertisements, public interest, likes etc. According to Angelika Kaprelian, the product manager of Experian Research Services enumerates these segments in defining green consumerism

- Behavioral Greens: - Those consumers who think green and act green. Consumers generally exhibit a negative attitude towards the products that enerally causes harm to the environment and includes green initiating practices on a daily basis.



Impact of Green Marketing on Consumer Purchase Intention and Sustainable Development

- Think Greens: - Those consumers who merely visualize themselves as green consumers but never always act green.
- Potential Greens: - Those consumers who never behave or think towards an environment friendly way of life but always keep anxious about key issues that harm the environment.
- True Browns: - Those consumers who are never conscious about any environmental issues and show a high level of negative attitude towards public that are keen focused on environmental issues.

For a firm, the term 'green' is used to promote themselves for greater advantage. In marketing, 4P's plays major role in customer satisfaction, in the same way green marketing does. Every company has a marketing mix for a successful and standard marketing. The marketing is not only influenced by its marketing mix, but also influenced by some other internal or external factors. A company's future is dependent on a good marketing mix and can be done with good research and study on the same. 4Ps of marketing can be well defined in green perspectives. (Vaibhav Ramesh Bhalerao, Dr. Anand Deshmukh ;April 2015)

Green Product: Product is the first P in marketing mix. Manufacturing of the products without causing much harm to the environment is the most important concern for every organisation. The objectives of choosing green marketing products are to minimize the harmful effects on the environment and reduce resource consumption and pollution, thereby the environment safety. The product can be manufactured in such a way that it can be repaired, recycled, reduced and reused. Most of the customers' decisions have a direct impact on green labelling of the product. Business started to manufacture environment friendly products or green products and promoted green policies when the purchase decision was influenced by the hazardous contents of the product. (Uydacı, 2002: 113)

Green Price: Price is the amount a consumer spends on purchase of the product. Mostly green products are expensive than the other ordinary non-green products. This may be because the cost of manufacturing products safer for the environment will be relatively higher when compared to other conventional products. For example the conventional CRT TV would be cheaper than the latest LED ones. Similarly all the latest and hybrid products would definitely charge a higher price on to the consumer. About 61% of the people are intended to purchase green products only if they price lower than the other products(from the data collected). But green marketing will be cost efficient in a long run even though it is a bit expensive at the start. The price should never be a demotivator to the consumer for the purchase of green product.

Green Place: Place is the distribution channel or distribution network. Green place can be defined in the sense that something that can reduce the customer's efforts

to get a reach to the green product. The green place should be capable enough to convince the customer about the features of the green product.. In order to cut the cost of imported goods and reduce the transport emissions, these products can be licensed for local production. People are not willing to travel long to buy a green product, rather they may choose a non-green product. The company must constantly check if the suppliers and distributors are environment-friendly, such as using environmental friendly vehicles etc.

Green Promotion: Green marketing promotions should be transparent; to make a product familiar to the customers, the company should focus on its promotional activities including advertisements and also a part of it towards corporate social responsibility so as to grab faithful customers. Proper attention and awareness has to be given for the selection of promotional partners, promotional materials and advertising message.

Ginsberg and Bloom in 2004 proposed that customers of green products are not likely to compromise with their quality even though they are priced high than non-green products. They stress on the fact a single marketing strategy will not work for every marketing company. Green consumers are never ready to compromise on elements like availability, convenience, price as well as quality.

Our study mainly focussed on the consumer's perception towards green marketing and how green marketing initiatives contributes towards sustainable development. Growing awareness about environmental problems and its effect on the world makes marketers as well as consumers switch into the green products. The study also focuses on how green marketing tools improve purchase intention of customers. Green marketing tools or green marketing mix includes product, price, place and promotion. Each factor will affect the overall efficiency of marketing.

There are certain labels for green products that define the quality and trustworthiness of the product. The study also relates to the level of trust customers keeps towards these labels. The basic intent of the study lies in;

- Determining how green marketing tools improves purchase intention of the customers
- Understanding the trust of consumers in ecolabel and ecobrand.
- Determining how green marketing and sustainable development are interrelated.

III. RESEARCH METHODOLOGY

Both primary and secondary data have been collected and analyzed. The thorough study of secondary data provides a framework for initiating the collection of information and the analysis and interpretation of primary data. Secondary data was collected from essays, various reports submitted and other relevant professional information concerning green consumer



surveys and ecological marketing strategies in general by making use of internet and various academic records. The primary data was collected through questionnaire; the population investigator selected 200

samples using simple random sampling technique in a descriptive form where a group of individuals are studied from southern district of Kerala covering Trivandrum, Kollam and Alappuzha district. About 75% of the questionnaire is collected through Google forms and the rest 25% is filled by the respondents directly. The collected data was sorted and analysed using statistical testing tools such as correlation and chi-square.

Hypothesis

- H_0 : The users of green products are not satisfied with the product.
- H_a : The users of green products are completely satisfied with the product

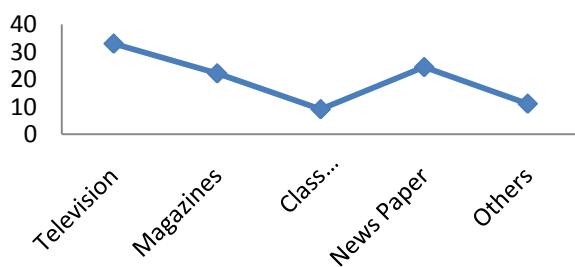
This research study focuses on determining the impact of green marketing on consumer purchase intention and the relationship between green marketing and sustainable development.

Average Percentage analysis

1. Green products become familiar to prospective customers by development in green marketing. Green marketing reaches to customers through mediums such as television, magazines, journals, hoardings etc. The following figure 1 depicts mode of awareness of green products. Consumers buy products after getting sufficient knowledge on it. Here, the media of advertisement plays a major role.

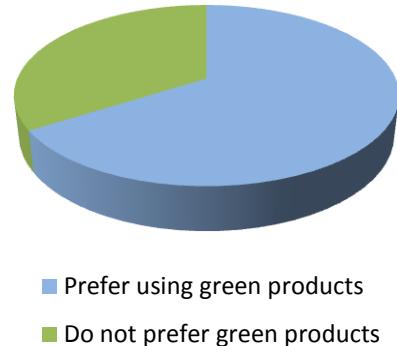
Out of the samples collected, about 33% of respondents get the awareness of these products from television, 25% knows the products from newspaper, 22% of the people get awareness from magazines, 11% of the people from some other sources of information like Whatsapp and other social media, and the remaining 9% of the respondents get the knowledge from class lectures.

Figure 1 showing mode of awareness of green products



Preference of respondents towards green products was studied and analysed. Figure 2 shows Out of 200 respondents, a majority of the people prefer green products;

it can be interpreted as 66% of people out of 200 are likely to use green products rather than non-green products, and 34% do not prefer to use green products, as they find some discomfort related to the green products, maybe because of various disadvantages of the product.



Correlation Analysis

Relationship between those who believe in ecolabelling and those who prefer using green products.

		Trust towards ecolabelling	Preference using green products
trust towards ecolabelling	Pearson Correlation Sig. 2-tailed	<i>I</i> 100	-0.38 .710 100
Preference using green products	Pearson Correlation Sig. (2-tailed) N	-0.38 .710 100	<i>I</i> 100

Chi-square test

- H_0 : The users of green products are not satisfied with the product.
- H_a : The users of green products are completely satisfied with the product

	Value	d.f	Asymptotic Significance (2 sided)
Pearson Chi-Square	6.739 ^a	9	.664
Likelihood Ratio	7.075	9	.629
Linear-by-Linear Association	.140	1	.708

N of Valid Cases	100		
------------------	-----	--	--

IV. RESULTS

The correlation analysis to determine relationship between

those who believe in ecolabelling and their preference towards green products. The correlation coefficient obtained was -0.38 depicting a negative correlation between the two variables. It can be interpreted that people who believe in ecolabelling are not the ones who prefer to buy them.

The obtained chi square value is 0.664 which was more than the significant value 0.05. Thus the obtained value lies in the rejection region Hence we reject the null hypothesis, the users of green products are not satisfied with them and thus accepting the alternative hypothesis.

V. DISCUSSION

Tanner and Kast 2003, from the survey proposed that even though 67% of consumers support buying of organic food but only small proportion of 6% is truly purchasing the same. This difference in the inclined attitude towards green products and true buying behaviour is termed as green-attitude behaviour gap. We can overcome this issue by finding out the real factors underlying behind the same and then required measures can be initiated to make consumers actually buy the products instead of merely exhibiting a positive attitude.

Moisander 2007 suggested that when customers show a positive attitude towards green purchase behaviour, then this decision making character is treated as a kind of socially benevolent behaviour. Here, the green consumer takes into consideration the ecological or sustainable development and attempts to be a part of social change.

Out of 100 respondents, we consider taking everyone's opinion and choices regarding green marketing and its usage does have same impact on everyone. From our data majority of respondents were women as they are the one who using the green products more in their daily life, as their cosmetics in kitchen house hold etc. Out of many products we suggested, respondents choose medimix handmade soap in their most constantly used green products. Most people are buying the product by considering its product quality and suggestions from the used customers. The middle class people have a look on price of the product as most of the green products are not cost worthy to them, price is a major problem in green marketing. Considering the cost is not worthy to majority. Eco friendly and safe for health is another reason for people buying the product. They consider their health as well as responsible for their part in sustainable development. People get themselves aware about green products mainly from commercial advertisements in television, magazines and newspaper also plays a major role in the promotion. Social media are also used as a promotional strategy for green products. Green washing is

an important fraudulent term in green product, faking a product as eco – friendly when it is not. This is a marketing strategy of marketers to make customers buy the product convincing them that it does not have any side affects at all. Out of the respondents majorities of them were aware of this term only a small portion is not. Government initiatives of the green marketing do not have a complete positive response, most of them are not even aware of the government strategy of green products. Respondents have various suggestions for the government to promote green marketing such as implementing a cost margin for the product, to conduct campaigns, developing distributional channels etc.

VI. CONCLUSION AND FUTURE SCOPE

Sustainable development is the responsibility of every individual; they have to take the step forward for the environment. Green marketing is one of them. Using green products not only benefit the nature but also for us. India is moving towards being green and our analysis and research also have a positive finding on it. Green washing, green myopia and all other fake marketing strategies should be eliminated so that we all can take a lot more step toward a green environment. Some of the limitations faced by the study was shortage of time. Sample was harder to be determined as the green consumers are less in number. Trust for green products was least as green consumerism faces the threat of green myopia and green washing.

Some of the suggestions for effective green marketing are

- Customers need to provide more awareness on the advantages of green products and their impact on their daily life.
- Government should support small scale industry on their CSR activities and provide them with sufficient financial support.
- Government should make strict rules on green labelling and take also consider providing awareness on green washing
- Companies should motivate consumers by encouraging them to participate and participate in the campaign directly with the product.
- Packaging should be made on recycling papers..
- Various initiatives for safeguarding environment should be supported by making donations or by actively participating in them.
- Customers can also support such initiatives by planting trees or by donating a portion of their sale to any organizations initiating such activities.

REFERENCE

1. Dr. Sanjay Keshaorao Katait, "Green Marketing In India And Its Impact On Consumer Behaviour". International Journal of Commerce and Management Research(IJCMR)ISSN: 2455-1627.2014
2. Aysel Boztepe, "Green marketing and its impact on consumer buying

- behaviour", European Journal of Economics and political Studies, EJEPS.2012
3. W.M. Pride and Ferrell O.C. 1993. Green Marketing; An attitudinal and behavioural analysis of Indian Consumers, Global Business Review 2004.
 4. Hamendra Dangi, Anupama Vohra, Vishal Laheri Kumar, "Green Marketing: Development of Construct and Its Evolution". Asia-Pacific Journal of Management Research and Innovation(APJMRI).2014
 5. K. Peattie, "The third age of green marketing towards sustainability: The third age of green marketing". The Marketing Review, 2(2) 129–146.2001
 6. Moisander, J. "Motivational complexity of green consumerism". International Journal of Consumer Studies(IJCS), 31(4), 404–409.2007
 7. Vaibhav Ramesh Bhalerao, Dr. Anand Deshmukh(2015)"International Journal of Knowledge and Research in Management & E-Commerce" Vol.5, Issue 2, April. 2015
 8. Lee, K. "Opportunities for green marketing in young consumers". Marketing Intelligence & Planning [26(6), 573–586].2008
 9. Ottman, J.A. "Avoiding Green Marketing Myopia". Vol-48, June- 2006
 10. B. Zhu, "The Impact of Green Advertising on Consumer Purchase Intention of Green Products," Proceedings of world Business and Economic Research Conferences 2012.
 11. Dr. G Rejikumar. and D. Ravindran, "Significance of green marketing practices- A Road Map to India Vision 2050", National Seminar on India 2050- Vision and Strategy. St Albert Institute of Management, Kerala, 2009.
 12. J.M .Ginsberg and Bloom, P.N. "Choosing the right green marketing strategy". MIT Sloan Management Review, 46(1), 79 – 84. 2012
 13. Dr. Seema Laddha, Prof. Mayur Malviya 2015; "Green Marketing and its Impact on Consumer Buying Behavior"; NBR E-JOURNAL, Vol 1, Issue 1 ISSN 2455-0264.2015

AUTHORS PROFILE



M S Jeevandas
2nd year student,
Department of Management,
Amrita Vishwa Vidyapeetham, Kollam, India.

ms.jeevandas1996@gmail.com, 7558083067

M S Jeevandas is pursuing Masters in Business Administration, specializing in Marketing and Human resource Management from Amritapuri campus. He has done his Bachelors in Business management. His areas of interests are Strategic marketing management, Sales and distribution management,



Lekshmi D Nair
1st Year M.Com Student Department of Commerce
Amrita Vishwa Vidyapeetham ,
Amritapuri.
lekshminaird4797@gmail.com

Lekshmi is a pursuing Masters in commerce. She done her bachelors in Commerce in Amrita school of Arts and science.



Soni Vivek
Assistant Professor
Department of Management
Amrita Vishwa Vidyapeetham, Amritapuri
sonivivek@am.amrita.edu

Soni vivek is a marketing management enthusiast with the passion for teaching and research, Soni started her career with

Amrita School of Business, Amritapuri and is also now pursuing her PhD in the area of Marketing. She was the Master of the Seminar at the International Conference on Enhanced Education '12 by AMMACHI LABS.