

A Study on Consumer Perception Towards Green Marketing with Reference to Pondicherry

OPEN ACCESS

Volume: 11

Special Issue: 1

Month: March

Year: 2024

E-ISSN: 2581-9402

Received: 17.01.2024

Accepted: 11.03.2024

Published: 22.03.2024

Citation:

Balananthini, B. "A Study on Consumer Perception Towards Green Marketing with Reference to Pondicherry." *Shanlax International Journal of Management*, vol. 11, no. S1, 2024, pp. 243–52.

DOI:

<https://doi.org/10.34293/management.v11iS1-Mar.8050>

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Abstract

The history of green marketing dates back to the 1980s when green marketing was first proposed. Climate change, increased globalization and industrialization have increased interest in the green economy among business people and consumers. Recent research shows that businesses are becoming increasingly aware of their social responsibilities. They see social responsibility as a good strategy to create an image in the minds of consumers. As consumers become more concerned about the environment, consumer needs are changing and consumers are willing to have green policies or green products such as low energy consumption (energy saving), organic food, lead-free paint, recycled paper, phosphorus-free hand, etc. Disinfectant., electronics, etc.) has become a major driving force. This paper aims to study the perceptions and preferences of consumers in Pondicherry regarding business green and products. Data were collected from 100 participants. Convenience sampling technique was used to select the participants. A convenient questionnaire was used to collect relevant data from the sample participants. The analyzed results show that there is a relationship between consumer awareness and marketing strategies and product research indicating that consumers are green consumers, and it has a positive impact on consumers' purchasing behavior.

Keywords: Green Marketing, Global Warming, Green Products, Social Responsibility, Environmentally Friendly

Introduction

It is true that the negative impact of human activities on the environment is alarming today. We can see governments around the world trying to reduce human impact on the environment. Today, our society and government pay more attention to the natural environment. After understanding society's new concerns, companies began to change their behavior and incorporate environmental issues into their operations. Many disciplines have included green issues in their literature.

The same goes for business studies. Courses include topics such as "green business" and "environmental business." Governments around the world are monitoring the green economy and trying to regulate it. Businesses pay more for green marketing. Companies are trying to differentiate their products from their competitors by creating niches for themselves, focusing mainly on the green market. Green business is the business of goods and services based on environmental or awareness.

Green marketing aims to go beyond traditional marketing and promotes environmental benefits, expecting consumers to associate

the benefits with their company or mode. Promoting their products as environmentally friendly has a positive impact on consumers because they care about the environment and are willing to pay more for these products. Recently, we can see a change in the market with new customers who are environmentally conscious and who see that contributing to the environment is their responsibility. Since production and services affect many environmental problems, companies can market their environmentally friendly products in different ways. Green business can solve many problems: products that save water, reduce greenhouse gas emissions, reduce pollution, clean homes and/or recycle. The more your colleagues mention your product or service compared to your competitors, the more customers will choose it, as long as the price is not higher than other products or services.

Definition

“Marketing products and services based on environmental factors or awareness. Companies involved in green marketing make decisions relating to the entire process of the company’s products, such as methods of processing, packaging and distribution”.

Evolution of Green Marketing

The term green marketing was popular in the 1980s and early 1990s. The green economy developed during this period. The evolution of the green economy has gone through three stages. The first stage is called “eco” green business, during which all business activities aim to help and treat environmental problems. The second phase is the “environmental” green economy, where the focus is on technology, including the creation of new products to solve demolition and waste problems.

The third stage is “sustainable” green business. It began to gain attention in the late 1990s and early 2000s.

Green Consumer

Green consumers are generally defined as consumers who adopt environmentally friendly behaviors and/or purchase green products instead of alternative methods. Green consumers have more internal control because they believe consumers can protect the environment. Therefore, they believe that protecting the environment should not be left to the state, businesses, professionals and scientists; As consumers, they are solely responsible. They are also less dogmatic and more open or tolerant to new products and ideas. Their openness helps them be more receptive to green products and behaviors

Green Products and its Characteristics For the protection of natural resources and sustainable development, the use of green technology and green products should be encouraged. We can define green products as follows: Grown products, products that are recycled, reusable and biodegradable, Products with natural ingredients, Products containing recyclable, non-toxic products that do not harm or pollute the environment., Products not tested on animals, products with environmentally friendly packaging; reusable, refillable containers, etc.

Literature Review

Below is some information about the green economy and related issues in national and international newspapers. Information is also examined from books, magazines and websites.

Charles W Lamb et al (2004) explained that “green marketing” has also become an important way for companies to create awareness and loyalty by promoting trending topics. By branding themselves as environmentally friendly, businesses can communicate their concern for the environment and society as a whole.

According to Roger a Kerin et al (2007), green marketing occurs in many forms. It stems from product development opportunities resulting from customer research and pollution coverage. The program asks employees for advice on how to reduce pollution and recycle materials.

According to Vemuri Lakshmi Narayana and Dhinesh Babu (2008), a smart marketer not only convinces customers but also involves them in the marketing of his products. Green business should not be seen as just another way of doing business, but should be pursued with greater effort due to its environmental and social benefits.

A study by Meenakshi Honda (2006) shows that activist groups and media have played an important role in increasing consumer environmental awareness and awareness in recent years. Most studies on the subject show that environmental concerns are increasing worldwide, although knowledge and environmental attitudes may differ among consumers across countries, education, age, and income group.

This study by Jacqueline A. Osmanlı (2006) explains that green marketing must meet two goals: improving environmental quality and customer satisfaction. Research shows that many green products fail due to green marketing myopia-marketers focus narrowly on their products that are green rather than the concerns of consumers or other business participants, such as regulators or activists.

Arun Kumar & N. Meenakshi (2009): Consumers have to play an important role if companies have to be made responsible for preservation of the environment. They should stop buying products of companies which are polluting the environment. Apart From companies, NGOs also have very important roles to play. NGOs should carry out research and tell the companies how they can make their process more environment friendly.

Biji P Thomas & H NanjeGowda (2010) highlighted that environmentally friendly buildings are also known as Green Buildings. Some of the visible -green features, such as exterior window shading, good daylighting, green (landscaped) roofs, and natural ventilation chimneys are often considered as the signals of being green.

The study by Project Guru (2010) indicated that India is still at a nascent stage in using eco-friendly products. It is the responsibility of the individuals, organisations and Government to take further steps to increase the awareness on benefits of eco- friendly products.

The study by Welling & Anupama S Chavan (2010) analysed Green marketing is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green marketing has to evolve since it is still at its infancy stage. Adoption of Green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm.

The study by Dharmendra Mehta (2011) indicated that Indians are not only conscious about their environment but also health conscious as well. This paradigm shift in attitude has made Indian consumers attractive to green marketers. It has made the population more responsive and aware towards green marketing appeals.

The study by Vinay et al (2015) determined that the concept of green marketing has been around at least since the first earth day in 1970. But the idea did not catch on till 1980's, when rising public interest in the environment led to a demand for more green products and services. The companies like Wipro, HCL, TNPL, IBM, ONGC etc., Implemented the concept of green marketing in their organisation. The study by Saranya (2017) analyses that Green Marketing mainly focuses on promoting the consumption of green products. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products than non-green products.

Green marketing came into prominence in the late 1980s and early 1990s. The first book titled Ecological Marketing Was the outcome of first workshop on "Ecological Marketing", held by American Marketing Association (AMA) in 1975. Green marketing acquired an eminent status since early 1990s. There has been occurring about green consumers and green consumerism

in 1970s and 1980s. Henion and Kinnear (1976) defined green consumers as environmentally conscious consumers while Antil (1984) described green consumerism as a specific type of socially conscious consumer behaviour with prime focus on protection of the environment. Green consumerism was described as a form of “pro-social” consumer behaviour (Weiner and Doescher, 1991). Michael Polonsky (1994) defined “green marketing as the marketing that consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.

Research Gap

The review of literature shows that the earlier studies were conducted on factors affecting the Consumer behaviour on green marketing. The research gap is the association between variables and the status of awareness of green marketing. The present study is assessed to know the relationship between variables like gender, level of education, level of monthly income and age group and status of awareness of green marketing.

Need For the Study

Green marketing has now evolved as one of the major areas of interest for marketers as it may provide competitive advantages. However it requires investment in terms of technology enhancement, process modification, communicating benefits to customers etc. Many of the companies in India have now started marketing themselves as green organisations due to certain government regulations and shifts in the preference of the consumers worldwide. However, not much research with respect to green marketing has been done in India and there is a question about the awareness of green products among consumers. The attitude of Indian consumers towards green products and the relationship between the attitude and behaviour is also questionable. As green marketing is different from the marketing in traditional way, marketers need to know the factors that persuade the consumer to buy the green products. This study aims to resolve the research question of what factors influence the consumer persuasion to buy the green product or not.

Statement of the Problem

The concept of “GREEN” was introduced in the year 1975 but got more importance and more weightage in the decade of 1980 and 1990. The awareness and buying decisions of green product customers are affected by different factors. The present study is assessing the different attribute wise influence on green market awareness and green product buying decisions.

Objectives of the Study

- To study the awareness of consumers towards eco-friendly products.
- To measure the green values of the customers.
- To identify the factors that influence the customers buying decision on green products.
- To give suggestions to improve the customers’ awareness and buying decisions of Green Products.

Research Methodology

Research Design

Research design is a logical and systematic plan prepared for directing a research study. It is a quest for knowledge. Research may be defined as a process of knowing new facts and verifying old ones by application of scientific methods to a natural or social phenomenon.

Sample Technique

Non probability sampling is used for the study and respondents are randomly selected. Especially those within the area of Bangalore city were selected for primary data collection.

Sources of Data

There are two types of data: Primary and Secondary.

Primary data - primary data is gathered from direct observation or data personally collected. It refers to that data which is collected for a specific purpose from the field of enquiry and is original in nature. For the project primary data were collected mainly through survey method, using the tool questionnaire

Secondary data - on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process. Here the secondary data was obtained from. Various textbooks, registers, magazines, journals. Dissertations etc. Websites of the organisation.

Structure of Questionnaire

For data collection a well-structured questionnaire is used, with easy and simple questions. The questionnaire includes multiple choice questions, Liker scale questions, closed ended questions.

Sample Size

A Sample of 100 respondents both male and female drawn from Pondicherry.

Tools Used

Chi Square test is applied to test the statistical significance of the observed association in a cross tabulation. Several attributes are assessed with the help of tables on percentage basis.

Sampling Unit: The sampling unit is Pondicherry city customers.

Data Analysis

Table 1 Attributes influencing the awareness of Green Marketing

S.No	Characteristics	Description	Number	%
1	Gender	Male	30	30
		Female	70	70
2	Age	Below 25	16	16
		26-35	51	51
		36-45	21	21
		Above 45	12	12
3	Qualification	PG	45	45
		UG	34	34
		10TH	12	12
		PUC	7	7
		Illiterate	2	2
4	Occupation	Employee	45	45
		Businessmen	23	23
		Professional	11	11

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		Student	15	15
		Others	6	6
5	Marital Status	Married	68	68
		Unmarried	32	32
6	Monthly Income	Below 20000	23	23
		20000-30000	26	26
		30000 and above	51	51
7	Awareness of Green Marketing	Yes	81	81
		No	19	19
8	Did you buy green products recently	Yes	81	81
		No	19	19
9	Need for Green Marketing	Environment protection	68	68
		Health factor	22	22
		Product features	7	7
		Publicity	3	3
10	Frequency of buying green products	Regularly	52	52
		Average	29	29
		Rarely	19	19
11	Types of green products bought recently	Food	63	63
		Cleaning products	5	5
		Cosmetics	25	25
		Household	5	5
		Others	2	2
12	Factors influencing the buyers before buying green products	Increase quality of life	30	30
		Environment protection	45	45
		Potential increase in product value	8	8
		Self satisfaction	17	17
13	Reasons for companies showing reluctant	Difficult for all companies	62	62
		High investment	20	20
		Lack of Government initiative	14	14
		Others	4	4
14	Internal factors influencing in buying green products	Personal value	74	74
		Motivation	26	26
15	External factors influencing in buying green products	Packaging	19	19
		Label	24	24
		Community	48	48

		Information	6	6
		References	3	3
16	Willingness to pay more for green products	Yes	86	86
		No	14	14

Table 2 Describing the Various Dimensions of Green Marketing Products

Sl. No	Statement	Strongly Agree	Disagree	Neutral	Agree	Strongly Disagree
1	I am aware of the benefits of green products for health	56	4	13	25	2
2	I am aware of the benefits of green products for the environment	74	3	8	13	1
3	I am aware of the point of purchase for green products	4	30	19	6	40
4	I am aware of various brands offering green products	20	35	15	21	9
5	I am aware of various symbols / certifications / other identifiers which declare the product as green product	3	52	20	10	15

Table 3 Showing the Reasons Behind Non-Usage of Green Marketing Products

Sl no	Statement	Strongly Agree	Disagree	Neutral	Agree	Strongly Disagree
1	Lack of awareness about green products	62	5	6	25	2
2	Green products are very expensive	49	9	5	27	10
3	Green products are not promoted properly	73	6	3	13	5
4	Lack of confidence in the Performance of green products	15	43	3	10	29
5	Green products are not available in full range of variety	65	2	5	22	6
6	Green products are not easily Available in shopping outlets	70	2	4	18	6
7	Labels of green products are not Informative; they don't fully inform about their greenness.	32	35	4	19	10

Chi-Square Test Analysis

Hypothesis 1

Null hypothesis (Ho): There is no association (relationship or dependency) between Gender and status of awareness of Green Marketing.

Alternate hypothesis (H1): There is an association (relationship or dependency) between Gender and status of awareness of Green Marketing.

Table 4 Association between Status of Awareness of Green Marketing and Gender

Awareness of Green Marketing			
Gender	Yes	No	Total
Female	60	10	70
Male	19	11	30

From the chi square test it is observed that P value is 2.87 which is less than the significant alpha level of 0.05

Inference

Since P value (2.87) is less than 0.05, H_0 rejected and H_1 accepted. Hence there is association between Gender and status of awareness of Green Marketing.

Hypothesis 2

Null Hypothesis H_0 : There is no association (relationship or dependency) between Age and status of awareness of Green Marketing.

Alternative Hypothesis H_1 : There is an association (relationship or dependency) between Age and status of awareness of Green Marketing.

Table 5 Association between Age and Awareness of Green Marketing

Awareness of Green Marketing			
Age group	Yes	No	Total
Below 25 years	12	4	16
26-35 years	45	6	51
36-45 years	16	5	21
46 and above	8	4	12

From the chi square test it is observed that P value is 52.77 which is more than the significant alpha level of 0.05. Hence, the null hypothesis is accepted and alternative hypothesis is rejected.

Inference

Since P value (52.77) is more than 0.05, H_0 is accepted and H_1 is rejected. Hence there is no association between Gender and status of awareness of Green Marketing.

Findings

- 70% are female and 30% are male, which shows the majority of the females involved in shopping process are aware of green products..
- There is an association between gender and awareness of green marketing,
- 51% of the respondents between the age group of 26 to 35 years are aware of green marketing
- There is no association between age group and awareness of green marketing.
- Majority of the respondents (68%) who are married are aware of green marketing.
- Monthly income has no association in relation to the awareness of green marketing.
- 81% of the respondents are aware of green marketing.
- 68% Of the respondents are concerned about environmental protection and 22% prefer green marketing because of the health factor.
- 52% of the respondents purchase green products regularly.

- 63% have recently bought food and 25% have bought cosmetics which belong to green products.
- 45% feel environmental protection influences them while purchasing green products and 30% feel it increases their lifestyle.
- 62% feel our companies are not going for green marketing as it incurs huge cost which are not affordable by a tiny and small scale industry which is large in number.
- 74% feel personal values as an internal factor that influences more in purchasing green products.
- 48% feel community as an external factor influences them more in buying green products.
- 86% of the respondents are ready to pay more for green products.
- 56% of the respondents feel they are aware of the benefits of green products when it comes to health factors.
- 74% are aware of the benefits of green products for the environment.
- 70% feel they are not much familiar with the point of purchase.
- 44% feel they are not familiar with the brands of green products offered in the market.
- 67% feel they are not aware of symbols, certifications, other identifiers of green products.
- The reason behind low demand for green products are 87% feel due to lack of awareness, 76% feel due the expensive price of green products, 86% feel it is not promoted properly, 87% feel the green products are not available in full range, 88% feel sufficient green products are not available in the shopping outlets, 51% feel that the labels of the green products are not informative.

Suggestions

- More initiative should be taken to promote green products among the male category and make them involve more in buying green products as a responsible citizen.
- The companies should create more awareness by means of various promotions.
- If necessary, the company can increase the price of the green products as customers know the green factors increase the price of the product and they are ready to pay a little higher for those products.
- Companies should give more range of green products that support in having a better choice among the customers.
- Companies should stock sufficient green products in their shopping outlets.

Conclusion

From the study it can be concluded that most of the Pondicherry customers are aware of Green Marketing concepts and products. There is association between gender, levels of education and the status of awareness of Green marketing. There is no association between age group, monthly income and the status of awareness of Green marketing. Majority of the customers' decision to buy the green products are influenced by several attributes. Most of the customers strongly agreed with the different descriptions of green products. It means people are ready to accept but still, the entrepreneurs and the Government have to take initiative for promoting and implementing the concept of green marketing and green products. As environmental issues continue to affect human activities, society is more concerned in this regard. Most firms have started using a sustainable development framework which is known as green marketing and most of the organisations have acknowledged green products which are environmentally friendly.. A major barrier in the purchasing of green products is concern over whether the product will perform as expected. The

essence of this study says that “People buy products that are less damaging to the environment so that they feel better”.

We can conclude that the company can go green by providing training to their employees, especially sales representatives. This is to give them knowledge on how to promote the green product effectively by clearly presenting the main message to the consumers. Companies need to make new strategies and marketing mix to go green. Company’s need to make aware of the concept to their customers.

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