

Buying behaviour of consumers towards Green Products

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ARTICLE DETAILS

Article History

Published Online: 10 January 2019

Keywords

Green Products, Environment, Consumer Buying Behaviour

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ABSTRACT

This paper deals with studying the behaviour and purchase preference of consumers towards green products. People are aware about the benefits of using green products but still the usage is low as compared to non-green products which are harmful for both the user and the environment. The consumer buying behaviour for green products arises by the need and preference of the customer. Apart from this the value and attributes of the green products is an important factor for determining the usage percentage of the green products. Moreover the major player in determining the buying behaviour of the consumers depends upon the customer discretion over the use of green products. This paper majorly deals with the study of the buying behaviour of the consumers for the eco-friendly products. First of all research have identified the parameters of consumer buying behaviour. After that the impact of demographic characteristics is determine on the parameters of consumer buying behaviour. Analysis of variance (ANOVA) is used to determine the impact of gender, age and annual income on the perception, attitude and consumer satisfaction of the consumers.

1. Introduction

In present scenario the economy is growing very fast which boost the industrialization. Due to increase in industrialization the impact on the environment also increases. The revolution in technologies and industrialization has exploited the environment. This environment changes are responsible for global warming. The products dispose off play a major role to exploit the environment. So the ultimate solution of this problem is going green. Consumer should adopt the green products to protect the environment. Green products are those products which are less harmful for the environment as well as for human health. Adopting the green products today will be beneficial for our future. Government is introducing different policies for the safety of the environment and provide the benefits and tax rebate to the manufacturer of green products. One of the solutions to this problem is to use those products which are environment friendly. Green marketing is the main tool which is used for sales and promotion of green products. Green Marketing is the process of selling and promoting environment friendly products and services. It can be defined as the process of buying and selling of the products which are eco-friendly. It is seen that many companies are displaying the harmful effects of not using eco-friendly so that the consumers can be turned to opt the green products (Golkonda, 2013). Now a day the educated consumers are very sensitive towards the environment. Gatersleben, Steg and Vlek (2002) stated that the major part of the consumer who use green products are the teenagers. This statement is also supported by Johnson et al., (2004) who also pointed that young people or the teenagers are using green products more often. They know that the polluted environment is harmful for them and their beloved one too. Most of the companies and firms faces the consumers who are very conscious and do not prefer to purchase the products which is harmful for the environment. But the population of these types of consumers is very less. They are aware of the bad effect of not using the green products but still they more inclined towards purchasing

the non-green products this is technically termed as the "Value-Action gap". This gap reflects that gap which is created by the action of an individual when he/she acts is correlated to their actions. According to a survey conducted in Canada concluded that the rate of acceptance and adaptation of green products resulted in gaps ((Kennedy, Beckley, McFarlane, & Nadeau, 2009). If we want to change the perception of the consumers towards the green products, than it is essential to understand the buying behaviour of the consumers. Consumer buying behaviour is the study of how consumers purchase, use and dispose off the products and services. Consumers' attitude and perception towards the green products should be positive. Consumers should be aware that using the hazardous products will have the harmful impact on the environment, which ultimately have the negative impact on the health of the people. For the promotion and increasing the sales of the green products, it is very essential that consumer's intention should be positive and consumers must be satisfied by the green products and services.

2. Population of India

Age Group	Population	Percentage
All Ages	1,028,610,328	100.0
0 - 4	110,447,164	10.7
5 - 9	128,316,790	12.5
10 - 14	124,846,858	12.1
15- 19	100,215,890	9.7
20 - 24	89,764,132	8.7
25 - 44	284,008,819	27.6
45 - 64	139,166,661	13.5
65 - 79	41,066,824	4.0
80+	8,038,718	0.8
Less Than 18	422,808,543	41.1
Less than 21	492,193,906	47.9

Age no stated	2,738,472	0.3
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Source: www.censusindia.gov.in

The above table shows the population of the country age wise. In the table it is clearly indicated that teenagers whose age is less than twenty one are 47.9 percentages which is approximately half population of the country. So the study of buying behaviour pattern of teenagers towards the green products matters a lot. Teenagers are also the future of the country, so that's why this research paper is specifically focuses on them.

3. Literature Review

According to Chan (2001) the sale and purchase of eco-friendly products and decline the products which harm the environment is termed as Green Marketing. Green products are the eco-friendly products which causes less harm to the environment and helps in making a better place to live (Shamdasami, Chon-Lin and Richmond, 1993). Green products are the products which can be recycled and the requirement for packaging is less as compared to non-green products (Chan and Chai, 2010). The awareness of the consumers towards the environment determines the buying behaviour pattern of the consumers. The attitude and awareness have a positive impact on the buying behaviour pattern of the consumers. The intention of the consumers towards the products is correlated to the buying behaviour pattern of the consumers. According to Bamberg, (2003); Kilbourne and Beckmann, (1998); Nordlund and Garvill, (2002) people know the benefits of green products but the consumption is not turning into actual usage of the green products. The more the consumer is aware about the environment; he could have a positive behaviour towards the environment. Hughner (2007) stated that 67% of people are aware about the benefits of using green products but only 4% of the consumers actually go for purchasing the products. Inspire of the facts that the consumers are concerned about the environment and know that the green products are more beneficial the percentage of the actual consumers varies between 1% to 3% of the total consumers (Bray, Johns and Killburn, 2011). The individual behaviour of the consumers towards the products matter a lot for the environment. The buying behaviour of the consumers has a strong influence on their purchasing. Black weel et al (2001) said that purchase intention represent the buying behaviour pattern of the consumers. Consumer Behaviour is the analysis of purchasing, using and disposing off the products behaviour of the consumers. Most of the products dispose of the hazardous chemical which is very dangerous for the environment. That's why Government and NGO are influencing consumers to purchase the green products. Green products do not have any negative impacts on the environment and the society. Positive perception and attitude of the consumers towards the green products is very essential for the society as well as for the environment. D'Souza et al., (2006) in his research conclude that if the price of the green products is high than the attitude of the consumers towards it is negative. That's why Government is running so many schemes and giving rebate and benefits to the manufacturer of the green products. Price of the green products play a very important role in influencing the buying behaviour pattern of the consumers. The quality of the green products also matter a lot for the

consumers. Therefore the green products also perform better on other characteristics like durability, quality, performance, convenience, packaging etc. According to Carrigan et al (2004), the consumers who purchase the green products are called green consumers. Chen and Chai (2010) concluded in his research that consumer's attitudes towards the green products do not any difference on the basis of gender. Bhatia and Jain (2013) in his research identified that the consumer buying behaviour towards the green products have a positive correlation. Diamantopoulos et al (2003) and Ganetai (2008) said that price, brand name and quality are still the most important factors which consumers consider while purchasing the products. Gujral S.K. (2016) said that the economic aspect of the green marketing should not be neglected. The marketer should understand the implications of green marketing. Eco friendly products are now available in the market and consumers should evaluate the impact of that products before purchasing it. The manufacturer should manufacture the green products which fulfil the requirement of end consumers. According to D'Souza, Mehdi Taghian, & Peter Lamb, (2006) effective marketing strategy can only influence the consumers to purchase the products. He concluded that female are more conscious about the environment as compared to the male. Mostafa (2006) said that most of the customers are ready to purchase the products but they don't want to compromise on quality and price. Green products should perform at least equal to the traditional products only than consumers will prefer to purchase the green products. Consumers are not willing to pay premium price for the green products. The success of green marketing totally depend on contribution of stake holders and different division of the organization (Arseculeratne & Yazdanifard, 2014). Green marketing is not only an environment protection strategy but it is marketing strategy also (Goswami, 2013).

4. Objectives

- To determine the factors which affect the buying behaviour pattern of the consumers.
- To determine the buying behaviour of the consumers towards the green products.

5. Research Methodology

Descriptive research is used in this research followed by the exploratory research. Structured questionnaire is prepared to collect the primary data. The data directly collected form the respondents. Sample size of 400 is taken. Cluster sampling was adopted to collect the primary data from the respondents. The respondents are classified on the basis of age, gender and income status. The area of the study is limited to New Delhi region.

6. Demographic Profile of the Respondents

Character	Number of Respondents	Percentage
Gender		
Male	248	62
Female	152	38
Age		

Below 21 years	48	12
21 – 30 years	192	48
30 – 40 years	128	32
Above 40 years	32	8
Annual Income		
Less than 6 lacs	288	72
6 – 12 lacs	72	18
12 – 18 lacs	32	8
More than 18 lacs	8	2

The value of p significance is 0.63 which is more than 0.05. Hence age does not have any impact on the perception of the consumers.

Parameters to measure the buying behaviour pattern of the consumers

Factors of Consumer Buying Behaviour	Means	Standard Deviation
Consumers Perception	3.89	0.62
Consumers Attitude	3.39	0.58
Consumers Satisfaction	4.10	0.52

- The mean of the factor consumer’s perception is 3.89 which show the positive perception of the consumers towards the green products.
- The mean of the factor consumer’s attitude is 3.39 which show the positive attitude of the consumers towards the green products.
- The mean of the factor consumer’s satisfaction is 4.10 which show that the consumers of the green products are highly satisfied.

Impact of demographic characteristics on consumer buying behaviour

Perception with gender group

Perception	Sum of Squares	Mean Square	F	Sig.
Between Groups	0.53	0.34	0.56	0.58
Within Groups	46.11	0.46		
Total	46.64			

The value of p significance is 0.58 which is more than 0.05. Hence gender does not have any impact on the perception of the consumers.

Perception with age group

Perception	Sum of Squares	Mean Square	F	Sig.
Between Groups	1.78	0.41	0.61	0.63
Within Groups	44.86	0.37		
Total	46.64			

Perception with annual income group

Perception	Sum of Squares	Mean Square	F	Sig.
Between Groups	7.25	2.30	4.2	0.02
Within Groups	39.39	0.58		
Total	46.64			

The value of p significance is 0.02 which is less than 0.05. Hence annual income has an impact on the perception of the consumers.

Attitude with gender group

Attitude	Sum of Squares	Mean Square	F	Sig.
Between Groups	2.25	0.48	0.58	0.42
Within Groups	42.58	.048		
Total	44.83			

The value of p significance is 0.42 which is more than 0.05. Hence gender does not have any impact on the attitude of the consumers.

Attitude with age group

Attitude	Sum of Squares	Mean Square	F	Sig.
Between Groups	0.89	1.52	2.26	0.03
Within Groups	43.94	0.58		
Total	44.83			

The value of p significance is 0.03 which is less than 0.05. Hence age have an impact on the attitude of the consumers.

Attitude with annual income group

Attitude	Sum of Squares	Mean Square	F	Sig.
Between Groups	1.25	2.28	0.48	0.32
Within Groups	43.58	0.78		
Total	44.83			

The value of p significance is 0.32 which is more than 0.05. Hence annual income does not have any impact on the attitude of the consumers.

Consumers Satisfaction with gender group

Attitude	Sum of Squares	Mean Square	F	Sig.
Between Groups	0.78	3.75	0.65	0.03
Within Groups	53.62	0.69		
Total	54.40			

The value of p significance is 0.03 which is less than 0.50. Hence genders have an impact on the consumer satisfaction.

Consumers Satisfaction with age group

Attitude	Sum of Squares	Mean Square	F	Sig.
Between Groups	1.38	2.18	0.25	0.32
Within Groups	53.02	0.95		
Total	54.40			

The value of p significance is 0.32 which is more than 0.50. Hence age does not have any impact on the consumer satisfaction.

Consumers Satisfaction with annual income group

Attitude	Sum of Squares	Mean Square	F	Sig.
Between Groups	3.19	3.28	0.23	0.12
Within Groups	51.21	0.86		
Total	54.40			

The value of p significance is 0.12 which is more than 0.50. Hence annual income does not have any impact on the consumer satisfaction.

7. Conclusion

This paper mainly focuses on the buying behaviour pattern of the consumers towards the green products. Consumer buying behaviour of the green products is classified on the three parameters consumer perception, consumer attitude and consumer satisfaction. ANOVA is used to measure the impact of age, gender and annual income on the attitude, perception and consumer satisfaction of the consumers. The age and gender does not have any impact on the perception of the consumers but annual income has an impact on the perception of the consumers. The gender and annual income does not have any impact on the attitude of the consumers whereas age has an impact on the attitude of the consumers. The age and annual income does not have any impact on the consumer's satisfaction whereas gender has an impact on the consumer satisfaction.

8. Managerial Implications

The research clearly indicates that the gender, age and income have some significance on the buying behaviour pattern of the green products consumers. The manufacturer of green products should consider the demographic characteristics of the consumers. The gender, age and annual income of the consumers are related to the perception, attitude and consumer satisfaction of the consumers. So companies should consider the perception, attitude and consumer satisfaction factors while analysing the buying behaviour pattern of the consumers.

9. Limitation of the study

This research is restricted to only three parameters of the consumer buying behaviour which is perception, attitude and consumers satisfaction. Also the data is only limited to metro city New Delhi.

10. Future Scope of the study

Eradication of the limitation of this research will be the future scope of this research.

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