

Consumer preference towards Green Marketing practices in Hyderabad-An Analytical Study

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Abstract

The present study on green marketing highlights the consumers' perception and preferences towards green marketing practices and products with the help of a structured questionnaire. The study was conducted on 116 valid respondents from Hyderabad city. High level of awareness about green marketing practices and products was found among the consumers in Hyderabad. Research has given good insights for marketers of the green products and suggests the need of designing the marketing communication campaigns promoting green products due to high green value among the consumers. A moderate positive correlation was found between Green marketing practices and purchase intention for green products with Pearson Correlation Coefficient coming to as 0.445. It can be inferred that purchase intention of green product is dependent on the Green marketing practices of the consumers. Results of regression analysis reveals the view that the perception about green products and practices of marketing companies towards green marketing had positive significant impact on consumer persuasion to buy and prefer green products over conventional products.

Keywords: Awareness, Consumer Perception, green marketing Practices, green product.

I.INTRODUCTION

Today, the Earth faces more environmental issues than ever before, hence it is imperative for companies to make and market them as environment friendly. Green marketing is emerging as a popular promotional strategy owing to increased consumer awareness and concerns. Businesses need to constantly assess the latest and most attractive marketing trends. Marketing trends can be found out by continually researching about the changes in consumer behavior in the marketplace. By identifying the changes in the consumer behavior, the businesses can modify their offering to the consumers. Consumers today are more concerned about environmental degradation and negative impact of their uses of product and services on environment. The reason for this concern could be visible climatic changes, global warming and increasing air and water pollution. Thus using green marketing by the organizations not only provides an opportunity to meet consumer expectations and address their environmental concerns, but also to gain a competitive advantage and a strong consumer base.

II.LITERATURE REVIEW

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 behavior with prime focus on protection of environment. Green consumerism was described as a form of “pro-social” consumer behavior (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.”

Various studies support the assertion that consumers today prefer environmentally safe products and have a positive disposition towards companies following such practices. A strong willingness is shown by consumers to favor environmentally conscious products and companies as per various opinion polls taken in US and elsewhere, however action to do so in reality are debatable (Mendleson N, Polonsky M J, 1995). In spite of huge interest in green marketing by researchers and organizations, demand of green products is not as high as expected. Mintel (1995) found a significant gap between consumers concern and actual green purchasing. It is found that still there are considerable barriers towards the diffusion of more ecologically oriented consumption styles.

According to Michael J Polonsky, environmental marketing has been perceived as an opportunity by the organizations to achieve their objectives (stated by Keller 1987, Shearer 1990). It was believed that organizations have

moral obligation to serve the society in more environmental friendly way (Davis 1992, Freeman and Liedtka 1991, Keller 1987, Shearer 1990). Innovation will play a lead role in sustainable development for the companies to be competitive and resisting innovations will lead to loss of competitiveness in today’s global economy (Michael Porter and Claas van der Linder, 1995). Jacquelyn Ottman, (1998) suggests that from an organizational standpoint, all aspects of marketing including new product development and communications should be integrated with environmental considerations.

III. NEED FOR THE STUDY

Green marketing has now evolved as one of the major area of interest for marketers as it may provide competitive advantages. Many of the companies in India have now started marketing themselves as green organizations due to certain government regulations and shift in the preference of the consumers worldwide. However, not much research with respect to green marketing has been done in India and there is question about the awareness of green products among consumers. This study aims to resolve the research question that what factors influence the consumer persuasion to buy the green product or not.

IV. RESEARCH OBJECTIVES

1. To identify the factors that influences the consumer perception towards green marketing products.
2. To study the relationship between green marketing practices and preference for green products.

Hypotheses

H01: There is no correlation between Green product and practices and preference for green products.

V METHODOLOGY

The respondents were asked to rate the statement on a 5 point scale ranging from strongly disagree to strongly agree. Since the neutral point on the scale was 3, those means above 3 suggests overall agreement with the statement and the mean below 3 reflects disagreement. 116 valid responses for the questionnaire were received out of 120. After the pretest, the sample elements were selected as per convenience. The data was analyzed on SPSS 22.0

Table 1: Descriptive Statistics of influence of Customer preference towards Green marketing Practices

Green Marketing Practices	Mean	Std. Deviation
Manufacturing Eco Friendly Product	4.67	.658
Educating customers to use products in environmental	4.64	.733
Manufacturing products through eco-Friendly process	4.53	.650
Modifying products to make the environmental friendly	4.36	.807
Modifying product packaging to suit environment	4.30	.841
Promoting products through eco-friendly modes of communication	4.20	.844
Using green supply chain for procurement and distribution	4.11	.865

All consumers have rated the seriousness on higher side for various factors that are considered as environmental concern. Consumers prefer green products over conventional products to protect the environment. Marketers can come up with new green products and communicate the benefits to the consumers. Respondents have rated the seriousness of various environmental concerns as high. Consumers were strongly agreeing for the importance of green marketing practices and have rated “Manufacturing Eco-Friendly Product” as the most important green marketing practice followed by “Educating customers to use products in environmental friendly manner” with a mean score of 4.67 and 4.64 respectively. All the green marketing practices were found to be considered as important by the consumers with none of the green marketing practice having scored less than 4.11 (see Table 1). This suggests that consumers are concerned about the state of environment and expect the organizations to employ green practices towards the protection of environment.

Table 2: Green marketing practices reliability analysis

Cronbach's Alpha	No. of Items
.726	7

The reliability analysis of Green Consumer Scale has shown the Cronbach's Alpha value as 0.726 (as seen in Table 2)

Correlation analysis:

Table 3: Correlation between Customer preference and Green marketing Practices

		Customer Preference	Green Marketing Practices
Customer preference	Pearson Correlation	1	.445**
	Sig. (2-tailed)		.000
	N	116	116
Green marketing Practices	Pearson Correlation	.445**	1
	Sig. (2-tailed)	.000	

**. Correlation is significant at the 0.05 level (2-tailed).

Regression analysis:

Table 4: Regression Analysis of Influence of Green marketing practices on purchase of green products by consumers.

Regression Model	R	R ²	Adjusted R ²	Standard error of the Estimate
1	.884 ^a	.764	.713	.3

a. Predictors: (Constant), Manufacturing Eco Friendly Product, Educating customers to use products in environmental, manufacturing products through eco-friendly process, modifying products to make the environmental friendly, Modifying product packaging to suit environment, Promoting products through eco-friendly modes of communication, using green supply chain for procurement and distribution

VI.FINDINGS:

1. Descriptive Analysis:

As revealed from the mean score (3.57), respondents agreed that organizations with green claims are really concerned about the environment. This implies that consumers are not skeptic about the green claims of the organizations. Consumers strongly agreed that the environmental degradation has risen in the last decade. Their mean score was found to be 4.38 on a scale of 5. Also, consumers strongly agreed to the fact that the environment will be degraded more in the next five years with a mean score of 4.15 on a scale of 5.

2. Correlation analysis:

A moderate positive correlation was found between Green marketing practices and purchase intention for green products with Pearson Correlation Coefficient coming to as 0.445. It can be inferred that consumer preference of green product is dependent on the Green marketing practices of the consumers.

3. Regression Analysis:

The results of the multiple regression model indicate that the adjusted R-square in the Table no 2 shows that the dependent variable consumer preference towards green marketing products is affected by 71.3 % by the independent variables-Manufacturing Eco Friendly Product, Educating customers to use products in environmental, manufacturing products through eco-friendly process, modifying products to make the environmental friendly, Modifying product packaging to suit environment, Promoting products through eco-friendly modes of communication, using green supply chain for procurement and distribution

VII.CONCLUSION

Consumers' level of awareness about green products found to be high but at the same time consumers are not aware about green initiatives undertaken by various government and non-government agencies signifying need for more efforts from organizations in this regard. Newspaper remains leading source of information for most of the respondents and should be utilized more for reaching out to the consumers regarding green products and practices.

Responses were on moderate positive level and we can conclude that consumers are not skeptic about green claims of the organizations and consumers are concerned about the present and future state of environment signifying need for green products and practices. Marketers can come up with new green products and communicate the benefits to the consumers. All the independent variables are factors influencing the consumer preference towards green marketing products based on green marketing practices.

VIII.REFERENCES

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