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## CAUSATUM OF GREEN MARKETING: A STUDY ON PURCHASE VERDICT OF COLLEGE STUDENTS

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**Abstract:**

The current rapid growth in the economy and the patterns of consumers' consumption and behavior worldwide are the main cause of environmental deterioration. As the environment continues to worsen, it has become a persistent public concern in the developed countries and has recently awakens developing countries to the green movement. Being environmentally friendly is becoming more than a trend. The last few years, people have grown more aware of how their actions affect the environment. As environmental problems grew in '80s, environmental awareness gradually developed and inevitably the market as well as the governments started to follow the trend and in our days green products have gained recognition and a market share that grows constantly. What is called "sustainable consumption" has become a strong trend and an effective means of protecting the environment. Appearance of the green marketing and green products has started only the last decade in India. This paper is essentially exploratory in nature and in this framework, one of the first activities implemented is the opinion survey campaign in order to identify the attitude of budding generation towards green products.

**Keywords:** Environmental attitude; awareness; green products; consumer behaviour; students; green purchase decision

## **INTRODUCTION**

Creating customer satisfaction and building long-term profitable customer relationship are some of the primary objectives firms try to achieve to sustain their businesses in the competitive business world. Firms are embracing green marketing strategies and are exploiting these environmental issues as a source of competitive advantage. Profit driven firms are usually motivated to adopt the concept of green marketing in their businesses provided that consumers demonstrate a high degree of environmental attitude and hence translate this into environmental friendly purchasing commitment. Hence many companies started to be more socially responsive in addressing pollution and waste disposal by developing environmentally friendly packaging and putting in numerous efforts to keep in-step with the environmental movement. However, some of the greatest challenges faced by these firms are changes in consumer preferences, doubt of green advertising claim, critical consumer perception of green products and the high cost invested in developing green products. As a result, it is vital to explore how consumers view the environmental issues, and how they behave, especially in their attitudes towards green products or environmental friendly products.

## **LITERATURE REVIEW**

The decade of the late 1980s marked the first stage of green marketing, when the concept of “green marketing” was newly introduced and discussed in industry (Peattie and Crane, 2005). An anticipated emergence of a green tide galvanised many marketers to engage in different forms of green marketing at the beginning of this first stage (Vandermerwe and Oliff, 1990). Numerous marketers expected to generate positive consumer response which would be translated into an increase in goodwill, market shares or sales from their acts of green marketing.

Chamorro et al. (2009) built up a database with a hundred and twelve articles on green marketing and explored the topic: the methodology and the techniques of analysis, and other relevant aspects of the research. The analysis revealed that research on green marketing has gone through two clearly distinct stages in the ten year period under analysis i.e., 1993-2003. It reached its peak during the 1990s, with an average of thirteen articles per year and the publication of various specific volumes dedicated to the topic, such as Volume 20 of *Advances in Consumer Research* (1993), Volume 24/2 of *Journal of Advertising* (1995) and Volume 14/6 of *Journal of Marketing Management* (1998).

A consumer's environmental attitudes and behaviour have been documented as a complex, yet vital concept required to address the profile of the ecologically conscious consumer (Roberts and Bacon, 1997). Several studies, namely those by Roberts (1996), Roberts and Bacon (1997) and Stern et al. (1993), have examined a collaboration of demographic and psychographic dimensions associated with environmental attitudes and behaviour. Previous studies (Amyx et al., 1994; Kinnear et al., 1974; McCarty and Shrum, 1994) have established an apparent correlation between favourable attitudes towards environmentally friendly products and positive purchase decisions. Equally, negative attitudes will dissuade consumers, resulting in a non-purchase decision (McCarty and Shrum, 1994).

According to Meneses and Palacio (2006), the major difference between sustainers and non-sustainers is the degree of ecological concern. With respect to attitudes toward environmentally friendly products, the terms "importance" and "inconvenience" are most extensively examined and referred to in the green marketing literature (Amyx et al., 1994; Kinnear et al., 1974; Van Liere and Dunlap, 1981). Amyx et al. (1994) defined perceived importance with respect to the environment as "the degree to which one expresses concern about ecological issues". In other

words, “importance” is simply confined to whether consumers view environmentally compatible behaviours as important to themselves (self-interest) or to society as a whole. For example, organic foods and energy-efficient appliances are environmentally friendly products that consumers are willing to purchase, simply because these products are believed by consumers to appeal directly to their self-interest while at the same time promoting environmental benefits (Ginsberg and Bloom, 2004). On the other hand, the term “inconvenience” refers to how inconvenient it is perceived by the individual to behave in an ecologically favourable fashion (Roberts and Bacon, 1997).

As the literature reveals conflicting conclusion about the relationship of green consumer behaviour, the present study is conducted to understand the green purchase behaviour of students.

## **OBJECTIVES OF THE STUDY**

- i. To identify the awareness of students regarding green products.
- ii. To ascertain the association between awareness, gender, income and major area of study.

## **RESEARCH METHODOLOGY:**

This study aims to find out if college students would consider green marketing in their purchase decision or not. It also aims to find out that how the respondents became aware of green marketing, the correlation between gender, income, the extent of awareness of green marketing and the implication of the students' purchase decision to green marketing.

### **Data Collection and Characteristics of Respondents**

The questionnaires for this study were administered to 200 management students from major private institutions in Noida and Greater Noida. Ferber (1977) argued that using students sample is considered

valid for exploratory studies. Furthermore, students are representing the new generation of consumers and have been a growing population of consumers in India. The students completed the survey during class time and were assured anonymity. Participation was voluntary and no remuneration was offered. The respondents were business students and consisted of both sexes and of different races. A total of 185 completed the questionnaires were obtained and deemed sufficiently complete to be useable. There were 105 females (56.7%) while there were 80 males (43.24%). The respondents monthly household incomes were as follows: over 50,001:31.02%; 40,001-50,000 : 19.44%; 30,001-40,000:15.28%;20,001-30,000: 12.96%; 10,001-20,000:11.11% and below 10,000:7.87%. Convenience sampling was used. SPSS software was used to determine the frequency, mean, mean rank, standard deviation, t-test value and p-value.

## RESEARCH FINDINGS

Table 1 shows that the respondents became aware of green marketing through the following: television (48.61%), magazines (37.04%), class lectures (35.65%) and newspapers (23.15%). Television, although expensive, has remained an important source of information for college students. It reaches extremely large audience as it communicates with sight, sound and motion (Kerin, Hartley, Berkowitz & Rudelius, 2006).

Class lectures are also important source of green marketing awareness. Educators are important in promoting green marketing to students (Ottman, 1998). Information, such as the one given in class lectures, play an important role in encouraging consumers to buy environment-friendly products (Thogersen, 2005).

**Table 1:** Respondents' Source of Awareness to Green Marketing

How did you become aware of Green Marketing?

	Frequency	Percentage
TV	105	48.61

Radio	13	6.18
Newspaper	51	22.23
Magazine	79	38.03
Books	10	5.1
Seminar	17	7.70
Class Lecture	77	33.53
Internet	12	6.03
Parents	2	0.91
Friends	2	0.89
Product Bought	3	1.57

Note: Respondents can have more than one answer.

Although females have medium awareness compared to low awareness among males, Table 2 shows that the mean difference between males and females in terms of extent of awareness of green marketing is not significant. This implies that there is no correlation between gender and extent of green marketing awareness.

**Table 2:** Gender and Extent of Awareness of Green Marketing

Extent of Awareness of Green Marketing	Female	%
Not Aware	8	7.50
Low (aware but not buying environment-friendly products)	31	25.80
Medium (aware and buying environment-friendly products from time to time)	66	66.70
High (buying environment-friendly products all the time)	0	--
Total	105	100.00
Mean	2.57	
Interpretation (Mean)	Medium	
Standard Deviation	0.637	
T-test value	1.428	
P-value	0.155	

Extent of Awareness of Green Marketing	Male	%
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Not Aware	11	12.90
Low (aware but not buying environment-friendly products)	23	36.60
Medium (aware and buying environment-friendly products from time to time)	43	45.50
High (buying environment-friendly products all the time)	3	5.00
Total	80	100.00
Mean	2.43	
Interpretation (Mean)	Low	
Standard Deviation	0.779	

**Table 3.** Shows that the two lowest income groups (below 10,000 and 10,001-20,000) had low awareness of green marketing while the middle and two highest income groups ( 20,001-50,000 and Over 50,000) had medium awareness of green marketing. The statistical tests showed that the mean difference across income groups and the extent of awareness of green marketing was not statistically significant. This implies that there is no correlation between income and extent of awareness of green marketing.

**Table 3:** Income and Extent of Awareness of Green Marketing

Income Range (In Rs)	Mean	Standard Deviation	Interpretation
Below 10,000	2.38	.719	LOW
10,001-20,000	2.42	.663	LOW
20,001- 30,000	2.50	.694	MEDIUM
30,001-40,000	2.43	.703	MEDIUM
40,001-50,000	2.63	.647	MEDIUM
Over 50,000	2.55	.706	MEDIUM

**Table 4 .**Shows that the respondents' major fields of studies and the mean scores of the extent of awareness of green marketing. Except for three majors (Interdisciplinary Business Studies, Financial Management) that showed low awareness of green marketing, all other major fields of study showed medium awareness. The statistical tests showed that the mean difference across the respondents' major fields of study and the extent of awareness of green marketing was not statistically significant. This implies that there is no correlation between the major field of study and extent of green marketing awareness.

**Table 4:** Major Fields of Study and Extent of Awareness of Green Marketing

Major Field of Study	Mean	Standard Deviation	Interpretation
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Advertising Management	2.63	.619	MEDIUM
Business Management	2.51	.826	MEDIUM
Accountancy	2.50	.672	MEDIUM
Economics	2.56	.726	MEDIUM
Interdisciplinary Business Studies	2.38	.744	LOW
Information & Communication Technology Management	2.50	.548	MEDIUM
Legal Management	2.44	.726	LOW
Financial Management	2.35	.720	LOW
Marketing Management	2.64	.593	MEDIUM

**Table 5** Shows that respondents ranked green marketing as the fifth factor that they considered in their purchases. This implies that product need, price, personal preference and budget are considered before green marketing. Green marketers should make their products affordable to attract this segment. Being environment-friendly should not make the product more expensive versus other products in order to sell. Researches show that consumers may not be willing to pay a premium for environmental benefits (Kotler & Keller, 2006).

**Table 5:** Respondents' Ranking of Factors Considered in their Purchases

Factors Considered in Purchasing a Product	Mean Rank	Rank
Price	2.81	2
Product Need	2.23	1
Promotion	6.06	7
Product Availability	5.32	6
Green Marketing	5.29	5
Personal Preference	2.98	3
Personal Budget	4.77	4

The Mann-Whitney U test also showed that there were no significant differences in the mean rank of factors considered in purchases between male and female respondents.



## **FINDINGS AND SUGGESTIONS**

Respondents became aware of green marketing through television (48.61%), magazines (37.04%), class lectures (35.65%) and newspapers (23.15%). Television has remained an important source for providing information. Green marketers can use television infomercials to attract consumers. Educators also play crucial roles in promoting green marketing to students (Ottman, 1998).

The mean difference between males and females in terms of extent of awareness of green marketing is not significant. This implies that there is no correlation between gender and extent of green marketing awareness. Further, there was no correlation between income and major fields of study and extent of green marketing awareness.

Respondents ranked green marketing as the fifth factor that they considered in their purchases. This implies that product need, price, personal preference and budget are considered before green marketing. Being environment-friendly should not make the product more expensive versus other products in order to be competitive in the marketplace.

Generally, the mean scores of female and male respondents showed no significant differences in the environmental criteria considered in their purchases. This implies that there is no correlation between gender and the environmental criteria in product purchases

In terms of Roper Organization's green consumer classifications (Ottman, 1998), most respondents are sprouts. They buy green products from time to time but are not involved in any environmental activities. They should be encouraged with appeals to get involved in environmental activities (Ottman, 1998).

## **LIMITATIONS AND FUTURE RESEARCH**

The current research is restricted to the investigation on the green product generally, future study should focus on the consumers' attitude and perception on the green label, green packaging and green values or green service on a specific type of green product in the market. Finally, future research should consider including the areas of green purchase intention and green buying commitment.

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