

# Consumer Awareness towards Green Products and Its Impact

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**Abstract:** Consumers are becoming more ecologically conscious and desirous of purchasing green products. Green products are environment friendly in itself or produced in an eco friendly way. The core idea of this paper is to know the consumers awareness about green products and how consumers would be helping the environment if they switch over to green products. Consumers' green products awareness is significant in indicating the way of the green products buying decision. The data is collected from 30 respondents by survey method through a structured questionnaire. Convenience sampling method is used. Data are analysed using frequency analysis. The study has found that promotional activities on eco-friendly products influences consumers green products awareness. Majority of the respondents are aware of green products. This study also reveals that green products awareness as the critical factor, which affects consumers green purchasing decision.

**Keywords:** Green products, awareness, environment, purchasing decision

## I. INTRODUCTION

Nowadays, the environment has become a mainstream issue in the current competitive world. Green marketing is a major trend to know the reason for environmental issues like global warming, ozone depletion, pollution, loss of biodiversity and deforestation. The purpose of the study is to find out the awareness level of consumers' towards green products in Chennai District. Environment friendly, eco-friendly, nature-friendly, and green are marketing terms referring to goods and services, laws, guidelines and policies that inflict reduced, minimal, or no harm upon ecosystems or the environment. Companies use these ambiguous terms to promote goods and services, sometimes with additional, more specific certifications, such as Eco labels. The International Organization for Standardization has developed ISO 14020 and ISO 14024 to establish principles and procedures for environmental labels and declarations that certifiers and eco-labelers should follow. The past decades have witnessed large scale industrialization that resulted in rapid economic growth and increasing consumption all over the world. This in turn has resulted in deterioration of the environment due to exploitation of natural resources.

Considering the importance of the environment, consumers around the globe started showing concern for environmental protection and started avoiding the products that are harmful for the environment. Awareness of the destruction of natural resources has raised the issue of environmental protection, which in turn has created eco-friendly consumption called

“green consumerism”. Marketers responded to the growing environmental consciousness of consumers by adopting green practices and developing environment-friendly products.

Today, governments, organizations, as well as the general public are concerned about the environment and are taking initiatives at their own level. Various governments have implemented environmental laws for environment protection and are also providing subsidies on green/environment-friendly products. Organizations are also adopting green practices for the concern of the environment as well as to match with the legal framework of environmental regulation. Environmental damage can be reduced by designing, consuming, and labeling eco-friendly products and for this consumer awareness is essential to be successive. our research study will help the marketer to know the fact about ecofriendly products whether those will get market or not and consumers will appreciate those positively or viceversa. Firstly, the literature review and conceptual framework are provided. Secondly, methodologies are explained which are applied on the study. Next part of the study is provided with the results and discussion. After that, the conclusions and suggestions are described for the interested parties like a business, researcher, etc. Finally, the limitations and further research scope are represented.

## II. LITERATURE REVIEW

Johri et al (1998) in their study on “Green marketing of cosmetics and toiletries in Thailand” analyzed the green marketing strategy of Thai market. The study was based on case method framed with questionnaire survey to analyze the consumer attitude and brand loyalty towards green marketing strategies. The study found that few companies have made honest attempts to adopt environmental marketing strategy even though Thai customers purchasing decision has not focused more on green attributes. Purohit (2011) in his study on “Consumer buying behaviour on green products” analysed the consumer attitude, roll of marketing mix in buying intention and relationship between consumer attitude and buying intention towards green marketing. The study was conducted with 238 post graduates students. The study found that product, price, place and promotion had significant correlation with buying intention of eco friendly products. The study concluded that consumers were ready to pay high price for eco friendly which cause less pollution to the environment were consumer ready to compensate quality of the product for the benefit of the environment.

Mostafa (2007), green purchase behavior refers to the consumption of products that are benevolent or beneficial to the environment, recyclable or conservable and sensitive or responsive to ecological concerns. A study conducted by D'Souza et al., (2006) contrary reported that generally, perception of green products is negatively associated with customer's intention to purchase them if they are of higher prices and low quality in comparison to traditional products. The author Hemantha.Y, (2009), discussed in her study on "Green marketing – An exploratory research on consumers in Bangalore city", has evaluated the consumer attitude towards green marketing and green branding. The primary data were collected from 100 consumers in Bangalore city through questionnaire survey method using random sampling technique. The consumers are well aware of green environment aspects.

Maha Mourad, (2012), explained in his study on "Perception of green brand in an emerging innovative market", stated the factors affecting the green brand preference of an emerging innovative market and analyzed the four concepts of green brand preference. The author Norazah MohdSuki (2013), discussed his study on "Green awareness effects on consumers purchasing decision: Some insights from Malaysia", which attempts to examine the influence of consumers' environmental concerns, awareness of green product, green price and brand image on their purchasing decision of green products. M.Nagamani and B.Navaneetha (2014), in their research work "A study on awareness and usage of green products among woman students – An empirical study", analyzed the awareness and usage of green products among the women students in Coimbatore collected through primary data from 100 green consumers using random sampling method and the respondents had the awareness about green products like paper bag, plates, cups, areca plates and eco bowls in green marketing. People who are concerns about environmental safety, follow green buying behaviour and consume green product are considered as green consumer (Yazdanifard & Yan, 2014). Population explosion and excess consumption of resources have led environment more polluted for which awareness among green consumers raise. So the industries face the pressure to follow environmental ethics in manufacturing process. The claim for green product and green concepts begin to rise when environmental awareness, governing pressure for eco-technology in manufacturing and public health and safety concerns start to increase among people (Srinivas, 2015). R.Mahesh & P.Gomathi, (2016), conducted "A study on Rural Consumers Buying Behaviour of Green Products with special reference to selected villages in Tirupur District". The researcher has analyzed the environmental awareness, and factors influencing the consumers' buying behavior of Green products in Tirupur district.

III. OBJECTIVES OF THE STUDY

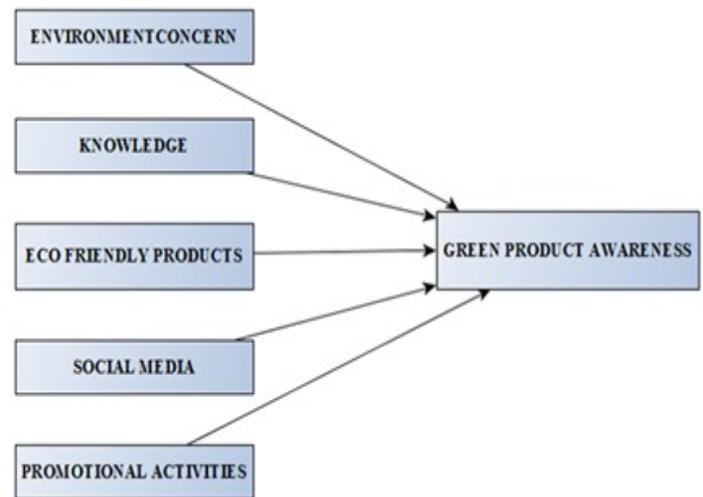
- To study about the awareness level of eco-friendly products

- To study the buying behavior about ecofriendly products
- To identify the factors influencing the customers to buy the product
- To find out the level of satisfaction of customers towards ecofriendly products

IV. RESEARCH METHODOLOGY

The present paper consists of both primary and secondary data. The primary data were collected by an survey method with a structured questionnaire. The questionnaire was designed to know the consumers' awareness level towards green products in chennaidistrict. The consumers were selected through convenience sampling technique and the sample size considered for the study is 30 respondents. The secondary data were taken from various books, published journals, magazines and other relevant academic resources. This study was conducted for a period of four months. The collected data were analyzed using statistical package for social science (SPSS ). The statistical tools are percentage analysis, one way Anova and Independent sample t-test were used. Cronbach's Alpha is 0.776 for 28 items of variables which suggest that the examination instrument is reliable to evaluate all hypotheses reliably and free from random error.

To assess the green product awareness among the customers the below mentioned factors were considered.



V. RESEARCH ANALYSIS

Mode of Awareness:

|                | NO OF RESPONDENCE | PERCENTAGE (%) |
|----------------|-------------------|----------------|
| Television     | 8                 | 26.7           |
| Magazine       | 7                 | 23.3           |
| Class lectures | 6                 | 20             |
| Newspaper      | 7                 | 23.3           |
| Others         | 2                 | 6.7            |
| TOTAL          | 30                | 100.0          |

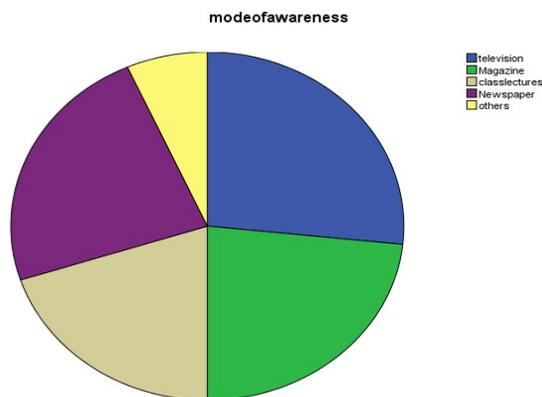


Figure 1

According to the analysis of figure 1, the mode of awareness is more created through the television with the 26.7 % when compared to the other medium like magazine, newspapers and others. The advertising communicates the benefit of using green products and it can influence the customers to buy that product has television is watched by more number of people and it has direct contact with the customer to increase the mode of awareness towards the benefit of the product with respect to the environment. Those messages through television will have an impact on consumer awareness and will motivate them to buy a green product. so the marketers will have a responsibility to create more awareness in the people through Integrated Marketing Communication tools(IMC) as the green product awareness among the consumers is limited.

*Motive For Using Green Products:*

| Motive                         | No of response | Percentage (%) |
|--------------------------------|----------------|----------------|
| Concern for health             | 20             | 66.7           |
| Concern for status             | 3              | 10.0           |
| Concern for environment        | 2              | 6.7            |
| To use better quality products | 5              | 16.7           |
| <b>Total</b>                   | <b>30</b>      | <b>100</b>     |

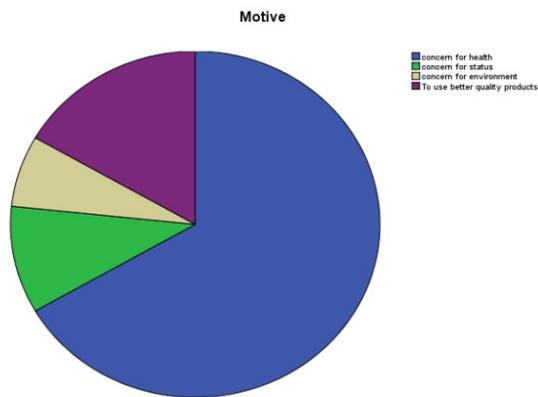


Figure 2

From the figure 2, it is clear that the majority of 66.7% people are using the green products in view of concern for their health. The motive of 10% people for using the green products was in favour of concern for their status. The minority of 6.7% people are using the green products in concern for the environment. The rest of 16.7% of people are using the green products in the motive to use better quality products. The motive of consumers influences their buying behavior so most of the consumers were health conscious and they were clear about their motive.

*Impact of Demographic Variables :*

*Statistical Test:*

*Age and Awareness:*

H0: There is no significance difference between age and awareness about green products

H1: There is a significance difference between age and awareness about green products

To test these variables, we have selected chisquare test of independence as this statistical test enables to analyze group differences when the dependent variable is measured at nominal level. Like all non-parametric staistics ,the chi-square is robust with respect to distribution of data.

*Chi-square test:*

| Variables | Value | Degree of freedom | significance value |
|-----------|-------|-------------------|--------------------|
| Age       | 4.752 | 6                 | 0.576              |
| Gender    | 1.738 | 2                 | 0.419              |
| Education | 3.909 | 4                 | 0.418              |

Interpretation: Since the p value (0.576) is greater than the significance level (0.05). So, we accept the null hypothesis. According to the above analysis there is no significance difference between age and awareness. The age of the consumer is not influencing the buying behaviour of the consumer towards green products.

*Gender and Satisfaction*

H0: There is no significance difference between gender and satisfaction.

H1: There is significance difference between gender and satisfaction.

*Chi-square test*

| Variables | Value  | Degree of freedom | Significance level |
|-----------|--------|-------------------|--------------------|
| Age       | 10.938 | 12                | 0.534              |
| Gender    | 4.566  | 4                 | 0.335              |
| Education | 4.283  | 8                 | 0.831              |

Interpretation: According to the above analysis the significance value (0.335) is greater than the significance level

(0.05). So, we accept the null hypothesis there is no significance difference between the gender and satisfaction. The consumer satisfaction is based on the need of the consumers. It is clear that gender of consumer will not influence the buying motive of the consumer.

#### Education and Knowledge

H0: There is no significant difference between education and knowledge.

H1: There is a significant difference between education and knowledge.

Here the correlation test is used to find the relationship between the variables knowledge and the demographic variable education. It is a bivariate analysis that measures the strength of association and the direction of the relationship. Here the major thing is to find how the education is related to the consumers in knowing about the green products and how well they know the features of that product.

#### Correlation

| Test summary<br>N | Pearson<br>correlation | Sig.(2 tail) |
|-------------------|------------------------|--------------|
| Age<br>30         | -.222                  | .239         |
| Gender<br>30      | .061                   | .749         |
| Education<br>30   | .131                   | .490         |

Interpretation: The above table indicates the various correlated factors with education and knowledge. Positive correlation indicates that they move in a same direction whereas negative correlation indicates that there is a wide difference between the factors or there is no relationship between them. When comparing with age they have a negative correlation between them which indicates that they are of different direction with the value of -.222. In the case of gender it is of positive direction with the correlated value of .061 and the comparison of education also have a positive correlation between them and has a relationship with a correlated value of 0.131.

#### VI. FINDINGS

- The research examines the knowledge, satisfaction, motive and awareness are the factors that influences the buying behaviour of the consumer
- This study finds that most of the green products fulfills the need of the consumers.
- Based on the study it is clear that the major awareness among the consumer is created through television.
- From the study it examines that majority of the people buying the green products because it concerns for health

#### VII. CONCLUSION

Environment is dynamic in nature so we have the responsibility to protect our environment. Consumers are becoming more ecologically conscious and desirous of purchasing environment friendly products. This study shows the reach of the eco-friendly among the consumers in the market and how the product fulfilling the need of the consumers. It provides guidelines for the researchers in understanding the various mode of awareness and the impact of green products among various levels of people and the main thing is that there is a huge need to educate people about the features and the uses of green products as the awareness level of the people on usage of green products is limited.

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