

GREEN CONSUMER BEHAVIOUR: AN EMERGING TREND IN INDIA

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ABSTRACT

Environmental issues have become increasingly important in recent time. Consumers have become more aware demanding in favour of environment friendly products. Marketers as well as producers start to produce eco-friendly products because of increasing requirements and it is favourable for the environment. The firms focus and stress on production, seeing the consumption and marketing of such products ensuring environmental safety. This concept is known as 'Green Consumption'. Why Green products are important, why companies launch Green Products, who are concerned about the environment, can be convinced and supported their purchasing decisions. Since 'Go Green' concept is in its infancy period in India and people are not aware about it, so they do not bear the cost which may be high rather than the products of without green concept, they purchase or demand the cheaper one. Green products are better for our environment but the people, being unaware, do not know the utilities of green products. This is the main challenge before our marketers and producers. This paper identifies the emerging trend of green business in India to meet out the consequences behind 'Go Green' Concept. The paper also describe the reason why companies are adopting it and concludes that green consumption is something that will grow both in practice and demand in future.

Keywords: Green Consumer Behaviour, Environmental Concern, Green Products.

Introduction

In the recent scenario economy has grown rapidly due to which consumer's consumption Pattern has changed drastically. The change in consumption pattern has had a severe effect on the demand pattern which has brought about a drastic change in the environmental imbalance. Due to the increase in the environmental concern, the corporates are facing the challenges on consumer decisions regarding the products and services. Environmental issues have become increasingly important to marketers. Consumers are being more sensitive than ever. Environmental issues are highly influenced to all human activities. Human beings are becoming more concerned about the environment. Marketers have started to produce eco-friendly products. They are framing the strategies accordingly and now they are focusing on green marketing strategies. Green consumer behaviour is one of the emerging trends in modern marketing. According to the American Marketing Association, Green Marketing is the marketing of the products that are presumed to be environmentally safe and its demand is increasing day by day in other countries. The term 'Green Marketing or environment' has grabbed a great attention of discussion. Environment concerns have gained momentum in business as well as in public life. Regarding the understanding of the Green Marketing concept, a survey was made in May 2007 by Vizu, depicted that 74% of the Americans thought that Global Warming has been generated due to the consumption of productions which are not eco-friendly (Grant,2007). According to Yakup and Sevil (2011) from the beginning of the 1980's there have been ecological issues such as global warming, greenhouse effect, pollution and climate changes which are directly related to industrial manufacturing. The concept of green marketing in the business practices that considers consumers concerns with regards to preservation and conservation of natural resources (Coddington 1993). Green market is identified as a part of market segments based on the perception of the consumer towards greenness (Charter Etel 2002). So, Green Marketing may be a good option in dealing with fair trade of socio-economic benefits as well as environmental responsibilities through green business practices. This has led to a change in consumer

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behaviour, now consumer is showing more concern towards environment in order to live a sustainable and healthy lifestyle. Consumer behaviour is very dynamic in nature and due to growing concern towards global changes and environmental degradation, the marketers are concerned to produce green products. The consumer is considering ways and means to satisfy its demand which does not disturb the balance in environment. Consumer behaviour with green characteristics is composed of many variables, which include concern towards environment, benefit of the society, self-belief in conserving nature and positive attitude towards environment protection. All this has transformed the purchase behaviour of consumer into ecologically conscious behaviour, which is great concerned in preservice of environment for the betterment of future globally. Due to the ecological concern, there has been an increase in the level of consumers' protection attitude towards environment conservation. So the demand of green products is increasing day by day. Now many of organisations are implementing green strategies which aim to solve ecological issues and develop the caring attitude towards environment. Some business has been quickly accepted the concepts like environmental management systems and waste minimization. Governments of many countries around the globe have become highly concerned about green consumerism and have attempted to promote it.

This paper attempts to identify the following facts:

- Throws some light on the concepts related to Green Marketing.
- Why Green consumer behaviour is important?
- Why do consumers prefer green products?
- Discuss some opportunities and challenges of green consumer behaviour.

Literature Review

Lee et al, (2012) found in his research that environmentally friendly behaviour tops the list while determining green purchase intentions of consumers. Consumers are ready to purchase those products which are safe for the environment.

Sweta Gupta et al (March 2003) stated in her study that the marketers need to be updated about the fact that consumers will show interest in buying of green products if companies show the same interest through their action plans towards environment . It is needed to make the consumers aware about the green products so that company may fulfil the increase in the demand of their green products in the market.

Alsmadi (2007) investigated that the buying behaviour towards environment friendly products. It reveals environmental consciousness of consumers. It also explained that positive tendency in 'Green Products' does not show the positive impact on buying decisions of consumers.

Yazanifard, Mercy (2011) found in his study that companies should focus their strategies to keep green marketing in future. So that consumers can identify themselves with companies that are green competent and are willing to pay a premium for a greener life. Green marketing is not just an environmental protection tool but also a business strategy.

Polonsky and Michael (1994) identified that responsibility of the environment is not only the sole responsibility of the firms but also governing authorities and consumers as well, integrate the environment into their corporate culture and also ensure by all the organisations to minimize the detrimental environment impact of their activities.

Arminda and M. Finistera (2011) highlighted the impact of environmental concern among customers. It is strongly recommended that effective green marketing strategies further must be developed and implemented in both public and private sectors.

Nitin Mittal (2014) suggested in his study that finally the consumers who are responsible for environmental problems. Corporate should create the marketing awareness among the consumers and also let the consumers be aware about the benefits of green products as compare to non-green ones.

Oyewole P.(2001) presented a conceptual framework among green marketing, environmental justice and industrial ecology. He suggested that to determine customers' awareness of environmental justice and their willingness to bear the cost associated with each other.

Yelena et.al (2013) suggested in their research that retailers can influence consumers to be more environmentally conscious in their consumption, with the influence of retailer may be stronger mediator than peers in this relationship. They added that retailers have the opportunity to shape environmentally conscious consumption if they adopt sustainable business practices.

Marcacci (2013) observed that there has been a significant increase in the demand for green products and services, as well as for green enterprises. So it indicates the bright future and opportunities for green businesses.

Ansar (2013) found in his study that advertisements play very effective roles in enhancing consumers' knowledge about the environment and green products. Thus, helping the consumers to make informed decisions about the products they consume and their impact on the environment.

Gittell, Magnusson & Mirinda (2015) found that supermarkets make it convenient for consumers to make available green products. The green products are easily available to the customers, green purchasing may encouraged and more and more customers will purchase the green products.

Environmental concern and environmental protection has emerged as an important topic not only for the organisations doing business but also for the government and society (Eltayeb et al., 2010). There are many problems which have drawn the concern of the society towards environment protection and saving environment. These problems range from global warming, air pollution, ozone depletion and so on (Rahbar & Wahid, 2011) Researchers have given many causes to these Pollutions but the main cause has been growing industrialisation and growing demand for products in the market.

Objectives and Methodology

This paper is an attempt to consolidate the previous work on consumer behaviour towards green products while reviewing the existing literature; the paper aims to address the following research questions pertaining to the subject:

- To find out the concept and scope of green consumption activities.
- To discuss the major issues to be addressed in green consumer behaviour.
- To find out the major research issues in green consumer behaviour research.

With the help of existing body of literature available in the field of green consumer behaviour, we try to find out the answers to these questions and present our framework on opportunities and challenges in this area. We further extended our inquiry into framing research questions which are yet unexplored in the area of green consumer behaviour.

Features of Green Products

Green Products are produced by using eco-friendly technology and do not have any harmful impacts on the environment. Green products consist of following characteristics:

- Products those are grown originally.
- Products those are recyclable and reusable.
- Products with natural ingredients.
- Products which are having recycled contents and non-toxic chemical properties.
- Product content under approved chemical.
- Product that do not harm or pollute environment.
- Products that are not be tested on animals.
- Products that have eco-friendly packaging.

Green Marketing Mix

Every company has its own marketing mix. Some have 4p's and some have 7 P's of marketing mix. The 4p of green marketing are same as conventional marketing but the challenges before green marketing and green consumer behaviour are to use 4p in an innovative and efficient manner.

- **Product:** The ecological objectives in planning products are to reduce resources consumption, pollution and to increase conservation of scarce resources (Keller man, 1978). The uses of eco-friendly packaging are the part of green product.
- **Price:** Most consumers will only be prepared to pay additional value if there is a perception of extra product value. The product value can be improved the performances, designs, visual appeals, functions, or tastes. Marketers should take all these facts into consideration while charging a premium price. Customer wants the worth of his spending on green products.
- **Place:** The choice of where and when to make a product available will have significant impact on the customers. All the customers will not go out of their way to purchase green products. So it is needed to ensure the supply of the green products to its target customers.

- **Promotion:** There are three types of green advertising:
 - Ads that address a relationship between a product/service and the biophysical environment.
 - Those ads that promote a green lifestyle by highlighting a product or service.
 - Ads that present a corporate image of environmental responsibility.

Examples of Green Consumer Behaviour

- Consumers have been searching for green products, i.e. there has been an increase in demand for green products in recent years.
- Marketers have started to look into the green processes- Generating corporate environmental profiles, monitoring and evaluating green performance and improving corporate image as a result.
- Green products have also opened new avenues to generate more environmentally friendly products.
- Government has also taken several steps that have supported and facilitated to the business.

Future Aspects of Green Consumer Behaviour

- **Health:** A healthy lifestyle combined with health impacts of environmental pollution and emissions, use of pesticides, etc.
- **Population and consumption:** Population increase, ageing populations, consumption pattern- living beyond means etc.
- **Globalization:** Free trade have both advantages (Efficiency, profits, opportunities, demand) and disadvantages (unemployment, footloose companies, weaker control, unfair trade, small scale lose out) etc.
- **Energy:** Each source of energy impacts environment. As energy efficiency is based on the use of updated technology. There are enough cars to create a six lane traffic jam to the moon.
- **Water:** Water use is increasing at twice the rate of population increase. Much can be done at the individual level.
- **Chemicals:** Use of pesticides and other hazardous chemicals, PCB is harmful for the environment. DDT has been found in mother's milk too. Ozone depleting chemicals, hormone disrupting chemicals have long term effect on human health and well-being.
- **Natural World:** Considerable pressure put on the natural world due to population explosion and rises in consumption.

These are some of the concerning areas where we have to focus for saving our earth. The green consumption can pave the path of sustainable development.

Opportunities for Green Businesses

Today, most of the businesses recognise that climate change is a problem, some are marking attempts to solve the problem, resulting in a wave of sustainability, climate change, and environment projects. To examine this issue in detail, MIT conducted a one year inquiry that involved in depth interview with fifty global leaders, followed by a survey of more than 1500 executives and managers worldwide. The survey respondents cited the impact on company's image and brand as its paramount reasons for addressing sustainability. Here are the drivers for addressing suitability. This is helpful for businesses on the following grounds:

- Company or brand image
- Cost savings
- Competitive advantage
- Employees satisfaction, moral or retention
- Product, service or market innovation
- Business or process innovation
- New source of revenue or cash flow
- Effective risk management
- Shareholder relationship

There are many companies which have shown their interest to become more environmentally responsible. Companies are trying to satisfy their consumers' needs and wants.

- McDonald's has changed its clam shell packaging with waxed paper. The reason of this change is as increased consumer concern towards the polystyrene production and Ozone layer depletion [Gifford 1991, Hume 1991].
- Tuna manufacturers has modified its fishing techniques and they have adopted driftnet fishing. The result of this is the reduction in the death of dolphins [Advertising Age 1991].
- Xerox launched a "high quality" recycled photocopier paper. It is an attempt to meet the demands of firms which require less environmentally harmful products.
- Coca-Cola came up with pumped syrup directly from tank instead of plastic. It saved 68 million pound/year.
- Badarpur Thermal Power station of NTPC in Delhi is focusing the ways for utilizing coal ash. Coal ash has been a major source of air and water pollution.
- Barauni refinery of IOC has also initiated steps for preventing air and water pollutants.

In some cases companies have misled consumers in an attempt to gain market share. In other cases firms have jumped on the green bandwagon without considering the accuracy of their behaviour. This lack of unawareness and consideration of the true "greenness", may result that some of the firms are making false or misleading green marketing claims.

Challenges for Green Consumer Behaviour

- **Need for Standardization:** It is very difficult to certify a product as a green or organic product because there is no standardization. Unless and until some regulatory bodies are involved and they certify or prove. A standard quality control board needs to be in place for such labelling and licensing.
- **New Concept:** The new green movement needs to access the large scale consumers but it will take a lot of time and efforts. By India's Ayurveda heritage, Indian consumers prefer to purchase natural and herbal beauty products. Indian consumers are moving towards the healthy living lifestyles such as yoga, meditation and natural food consumption. In those aspects the Indian consumer is well aware and will be ready to adopt the green products.
- **Patience and Perseverance:** The marketers need to look at the long-term benefits from this new green movement. For this, marketers need a lot of patience and no immediate favourable results. As it is a new concept and idea so it will have its own acceptance period.
- **Some other Challenges**
 - In the production of green products, there is need of renewable and recyclable material but it is costly.
 - In the production of green products, there is need to shift on updated technology which requires a huge investment in research and development programmes.
 - Water treatment technology is too costly.
 - the big challenge of green consumption is that the most of the people are not aware about green products and its uses.
 - Majority of the people are not willing to pay a premium for green products

Rank of Countries According to their Response Level on Green Marketing

Rank	Country
1	India
2	U.K
3	U.S
4	Thailand
5	Australia
6	Canada
7	China

Source: Namex International Journal of Management Research

Conclusion

Consumption of eco-friendly products is a tool for protecting the environment for future generation. It is very important concept as the firm has to plan and then carry out research to find out how feasible it is going to be. Adoption of green products may not be easy but in the long run it will surely have many positive impacts on the firm. It will definitely change the world of business, but for this, all nations will have to make strict code of conducts because green marketing is essential to save world

from pollution. Retailers and peer groups are the most influencers who can strongly influence the consumers' decision towards green products. It works as a catalyst to increase the demand of eco-friendly products. Social advertisements are also a powerful tool in moulding the purchase behaviour of the consumers. The CSR based activities should be focused to conserve and protect the environment. Indian market seems full of opportunities for consuming the green products. So, this is a win-win situation where a marketer can expand his business and on the other hand the environment can be protected.

Considering the importance of the environment for human beings, the concept of green consumption and sustainable development is getting attention in India, but it is still in an infancy stage. To boost green consumption initiatives the Government has already announced and implemented various policies and regulations for environmental protection, also in addition to its various organizations is willingly adopting environment friendly practices. All this is only possible due to a positive response from consumers towards eco-friendly products.

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