

## GREEN MARKETING AND ITS IMPACT ON CONSUMER BUYING BEHAVIOUR

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**Abstract:** Green marketing is the marketing of environmentally friendly products and services. It is becoming more popular as more people become concerned with environmental issues and decide that they want to spend their money in a way that is kinder to the planet. Green marketing can involve a number of different things, such as creating an eco-friendly product, using eco-friendly packaging, adopting sustainable business practices, or focusing marketing efforts on messages that communicate a product's green benefits. This type of marketing can be more expensive, but it can also be profitable due to the increasing demand. For some consumers and business owners, the environmental benefit outweighs the price difference. These consumers are active supporters of environmental health and are the heaviest purchasers of green and socially responsible products. They also have the power to influence other consumers. The aim of the study is how consumer buying behavior is influenced by the green marketing. How demand could be improved by preceding the green strategies and what problems would be faced by the companies in going green. The results from this explains that companies need to improve their communication with the customers for going green, and that attributes like price and quality are more important than "environmental responsibility". The research study took place in Coimbatore district of Tamil Nadu. The data has to be collected from multiple sources of evidence to understand the importance of green and sustainability management, in addition to books, journals, and websites.

**Keywords:** Green marketing, Consumer Behaviour, Green management, Sustainability.

### I. INTRODUCTION

**1.1 Green Marketing:** The term green marketing came into prominence in the late 1980s and early 1990s. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing". Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. In simple terms green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and/or packaged in an environmentally friendly way. Green or Environmental Marketing satisfies human needs with minimal detrimental impact on the national environment. Green marketing not only includes consumer goods and industrial goods but also the services sector. In the process of distribution of goods and services, both the manufacturing and the services balance contribute towards the ecological imbalance and loss of the ozone layer. However, the role of the manufacturing sector in this regard is more significant. The process of manufacturing and selling goods and services with the least threat to the environment is a big issue before the business houses. Green marketing requires awareness not only from the consumers but also from the manufacturers of such goods.

**1.2 Green consumer:** It means a customer who wants to buy things that have been produced in a way that protects the natural environment: The typical green consumer will only buy things that are environmentally friendly.

### **Types of Green Consumers**

In the past, in order to consider yourself “green” you had to use recycled everything, abhor meat and dairy and basically weave your own hemp clothing. Today is a bit different. People embrace the green they can live with – with leads to various types of green consumers. It is important to understand these types of consumers in order to brand your product accordingly.

**a) Behavioral Green Consumers** – These are green to the core consumers who buy only products which have a neutral or positive impact on the planet, and will go far as to spread the word about products – both positively and negatively. A great consumer to have on your side, not so good if they are against you.

**b) Think Green Consumers** – Consumers in this group try to act green when they can, but if it is not convenient or doesn't fit some other personal criteria, such as budget, they will buy a non-green product.

**c) Potential Green Consumers** – Basically on the fence about whether they care enough about green issues, these consumers can be encouraged to buy green products, as long as it is easy and fills their need.

**d) True Brown Consumers** – These consumers generally ignore environmental issues, and may go as far as to avoid companies who market their product with a heavy green focus.

**1.3 Green Consumer Behaviour:** Environmental responsibility has become an increasingly important component for both groups. Thus, as businesses attempt to incorporate more pro-environmental behaviour and performance into their marketing practices, much of their focus has been on the identification and understanding of the green or environmentally conscious consumer. In fundamental terms, green consumer behaviour is the behaviour of an individual who considers environmental or social issues while making purchasing or non-purchasing decisions. Therefore, consumer attitudes about green products, how they market their purchasing decision with respect to environmental impact, and how, when and where they buy green products and services are the focus of green consumer behaviour. While external and ethical pressures may encourage business to adopt greener practices, it is the acquisition and retention of this elusive and enigmatic segment of customers, the green consumer, which is most appealing to marketer.

## **II. IMPACTS OF GREEN MARKETING**

Green marketing affects positively the health of people and the ecological environment. People are aware of pure products and pure methods of producing, using, and disposing the products. It encourages integrated efforts for purity in production and consumption as well.

### **2.1 Following are the impacts of green marketing**

- Now, people are insisting pure products – edible items, fruits, and vegetables based on organic farming. The number of people seeking vegetarian food is on rise.
- Reducing use of plastics and plastic-based products.
- Increased consumption of herbal products instead of processed products.
- Recommending use of leaves instead of plastic pieces; jute and cloth bags instead of plastic carrying bag.

- Increasing use of bio-fertilizers (made of agro-wastes and wormy-composed) instead of chemical fertilizers (i.e. organic farming), and minimum use of pesticides.
- Worldwide efforts to recycle wastes of consumer and industrial products.
- Increased use of herbal medicines, natural therapy, and Yoga.
- Strict provisions to protect forests, flora and fauna, protection of the rivers, lakes and seas from pollutions.
- Global restrictions on production and use of harmful weapons, atomic tests, etc. Various organizations of several countries have formulated provisions for protecting ecological balance.
- More emphasis on social and environmental accountability of producers.
- Imposing strict norms for pollution control. Consideration of pollution control efforts and eco-technology in awarding IS), ISO 9000, or ISO 14000 certificates and other awards.
- Declaration of 5<sup>th</sup> June as the World Environment Day.
- Strict legal provisions for restricting duplication or adulteration.
- Establishing several national and international agencies to monitor efforts and activities of business firms in relation pollution control and production of eco-friendly products.

## **2.2 Statement of the problem**

In the modern times awareness on green marketing and the usage of green product by the people has increased which indicates the significance of green product. It is not only because of awareness; it is also because of the bad effect on health of mankind. Artificial fertilizers, manures and pesticides create problem even to the level of cancer. Understanding the impact of non-organic product and started using or adopting green product for regular consumption. The researcher shows interest on the positive impact on green marketing and also to understanding the behaviour of green consumer and identifies the strategies adopted by the green product manufacturers and their challenges. Thus, this particular study has been carried out.

## **2.3 Scope of the study**

The scope of the study is to find out the Impact of green buying behaviour of consumers and markets performance. This study covers only the green product consumers in Coimbatore city. The researcher has chosen 100 respondents for this study.

## **2.4 Objective of the study**

1. To find out how consumer behavior is influenced by Green Marketing by Companies.
2. To exhibit the challenges being faced by companies pursuing green marketing.

## **2.5 Methodology**

**a) Source of data:** The primary data for the purpose of the study has been collected by well – structured questionnaire. Secondary data has been collected from journals, books, websites and publications.

**b) Area of study:** Coimbatore city was selected as the area of the study owing to the reason that is among industrial development and commercial vibrant city of Tamil Nadu.

**c) Period of study:** This study is conducted in the financial year 2019 - 2020.

**d) Sample Size:** The primary data collected through questionnaires. 120 respondents are selected for the study. Due to non-response only 100 respondents of are final samples of this study by using Convenient sampling method.

**e) Tools for analysis:** The tools were applied to analyses the data were Descriptive or Simple percentage analysis and chi square test.

**III REVIEW OF LITERATURE**

**Roy and Dhumal, (2011)** stated that the Indian government is actively participating to promote organic agriculture. India would be amongst the top 10 countries, having land under organic cultivation, “Agricultural review” 2011 vol.31 (1), and pp.70-74.

**Hong P,HongSW,Roh JJ and Park (2012),** “Evolution Benchmarking Practices:AReview for Research Perspective”An International Journal,Vol.19,No.4,pp.444-462.

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**IV RESULT AND ANALYSIS**

An attempt is to make understand the socio-economic profile of the sample respondents drawn from green consumers in Coimbatore city with a view to analyze influence and impact of various socio-economic factors such as age, gender, marital status, educational qualification, monthly income and family size.

**Table 1: Socio – Economic profile of the respondents**

Variables	Particulars	No. of respondents	Percentage
<b>Age</b>	Below -20 years	10	10
	20-30 years	45	45
	30-40 years	32	32
	40 years and above	13	13
	<b>Total</b>	<b>100</b>	<b>100</b>
<b>Gender</b>	Male	43	43
	Female	57	57
	<b>Total</b>	<b>100</b>	<b>100</b>
<b>Marital Status</b>	Married	62	62
	Unmarried	38	38
	<b>Total</b>	<b>100</b>	<b>100</b>
<b>Educational Qualification</b>	Up to school level	43	43
	Degree/Diploma	22	22
	Professional	35	35
	<b>Total</b>	<b>100</b>	<b>100</b>
<b>Monthly income</b>	Up to 10000	22	22
	10000-20000	40	40
	20000-30000	28	28
	Above 30000	10	10
	<b>Total</b>	<b>100</b>	<b>100</b>
<b>Family size</b>	One member	12	12
	Two members	14	14
	Three members	40	40
	Four members	34	34
	<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary Data

From the above table it is revealed that out 100 respondents majority (45 %) of the respondents selected for the study are 20-30 years of age group, majority (57%) of the respondents selected for the study are Female of gender group, majority (62%) of the respondents selected for the study are married, majority (50%) of the respondents selected for the study are Degree/Diploma as their educational qualifications, majority (40%) of the respondents selected for the study are receiving 10000-20000 of monthly income, majority (40%) of the respondents selected for the study are three members in their family size.

**Table 2: Factors influencing the respondents to select the Green products**

Factors	No. of Respondents	Percentage
Acceptable price	15	15
Designer/company image	25	25
Actual green product impact	35	35
Appearance	10	10
Packing/Promotion	8	8
Durable	7	7
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Primary Data

From the above table it found that out of 100 respondents selected for the study 35% of respondents are influenced by Actual green product impact, 25% of the respondents are influenced by Designer/company image, 15% of the respondents are influenced by Acceptable price, and 10 of the respondents are influenced by Appearance, 8% of the respondents are influenced by Packing/Promotion and 7% of the respondents are influenced by Durable

The majority (35%) of the respondents are influenced by actual green product impact.

**Hypothesis:** There is no significant relationship between gender and educational qualification

**Table 3:**

**Observed frequency on educational qualification and gender of the respondents**

Educational Qualification	Male	Female	Total
Up to school level	13	30	43
Degree/Diploma	10	12	22
Professional	20	15	35
<b>Total</b>	<b>43</b>	<b>57</b>	<b>100</b>

Source: Primary data

**Table 3.1:**

Expected frequency on educational qualification and gender of the respondents

Educational Qualification	Male	Female	Total
Up to school level	18.49	24.51	43
Degree/Diploma	9.46	12.54	22
Professional	15.05	19.95	35
<b>Total</b>	<b>43</b>	<b>57</b>	<b>100</b>

Source: Primary data

**Table 3.1: Association between educational status and gender**

O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
13	18.49	-5.49	30.1401	1.63
30	24.51	5.49	30.1401	1.23
10	9.46	0.54	0.2916	0.03
12	12.24	-0.54	0.2916	0.02
20	15.05	4.95	24.5025	1.63
15	19.25	4.95	24.5025	1.23
			<b>Total X<sup>2</sup>=</b>	<b>5.77</b>

$X^2 = \sum (O-E)^2/E = 5.77$  i.e., the calculated value is 5.77

**Degree of Freedom** = (c-1) (r-1) = (2-1) (3-1) = 1\*2 = 2 Table value = 5.99

Degree of freedom 2 at 5% level of significance is 5.99. The calculated value is 5.77 and the table value is 5.99.

Since the calculated value (5.77) is less than the Table (5.99) the hypothesis is accepted.

Therefore, there is no significant relationship between gender and educational qualification of the respondents.

**The marketing strategies for green marketing include the following points:**

1. Marketing audit (including internal and external situation analysis).
2. Develop a marketing plan outlining strategies with regard to the four P's of marketing.
3. Implementation of the marketing strategies.
4. Proper review of results.

**Challenges of Green Marketing:**

1. Green products require renewable and recyclable material, which is costly.
2. Problems of deceptive advertising and false claims.
3. Requires a technology, which requires huge investments in research and development.
4. Majority of the people are not aware of green products and their uses.
5. Majority of the consumers are not willing to pay a premium for green products.
6. Educating customers about the advantages of green marketing.

**V.CONCLUSION**

Green marketing need not ignore the socio- economic view of marketing. Marketers want to know the impact of green marketing. Marketers think customers are not interested about environmental challenges or will not pay a premium for products that are more eco-responsible, consider again marketers must find an opportunity to improve their product's efficiency and improve their customer's loyalty and demand a higher price. Green marketing is remaining in its early stage and a plenty of research is to be made on green marketing to entirely examine its capability.

## VI. REFERENCES

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