



A Case Study Of Consumer's Preference Towards Green Products In Ahilyanagar

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Abstract:

Green marketing is also termed as environmental marketing or ecological marketing. According to the American Marketing Association, "marketing of products that are presumed to be environmentally safe is called as Green Marketing". Green or environment friendly products like low power consuming (energy-efficient) electrical appliances, organic food, lead free paints, recyclable paper, and phosphate free detergents are increasingly sold in the Indian market owing to the recent awareness about green products among consumers. The study has looked into the factors influencing consumers to buy green products. The paper presents the results of a survey of 110 consumers in Ahilyanagar. The study is based on primary data collected from the respondents. Additionally, the socio-economic profile of the respondents was examined. Percentage analysis, Garrett ranking technique, Likert's scaling technique and factor analysis were used for analysing the data. In India, green marketers have diverse and fairly sizeable segments to cater to. Therefore, green marketers must find an opportunity to enhance the performance of green products through proper campaigns. This Research overarching goal is to assess how much sustainability education influences shoppers' decisions to buy green goods. The purpose of this research is to learn how customers' concerns about the environment and the need to make sustainable purchases influence their preferences. A survey distributed nationally will be used to collect data from customers. The poll will inquire as to the extent, to which consumers are concerned with environmental issues, the value they place on eco-friendly goods and their purchase patterns. The research will employ regression analysis to find links between sustainability consciousness and green product preference. Marketers and politicians can benefit greatly from this study's findings by learning more about how to promote eco-friendly products and increase sustainable consumption. Also, in the context of emerging economies, this study will add to the expanding body of literature on sustainability and consumer behaviour.

Keywords: Green marketing, Eco-labels Sustainability, Eco-friendly, Green washing, Climate Change.

Introduction:

Green marketing or environmental marketing refers to ecological products such as healthy food, Phosphate free, Recyclable/Refillable, Ozone friendly, and eco-friendly. The goal of green marketing is to increase the number of environmentally conscious buyers by highlighting the benefits of

environmentally friendly consumption and production methods.

Green marketing is an attempt to characterize a product as being environmental friendly (eco-friendly). It holds the view that marketing which is a part of business not only has to satisfy customers in particular, but also has to take into account the interests of society in general. That is, all those who are affected

by the activities of a business should be kept in mind when setting the objectives and the policies of an organization. This has already helped to increase the recent trend towards the "greening" of the companies (Kotler, 1999)¹. In general, green marketing is a much broader concept that can be applied to consumer goods, industrial goods and even services. Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes and advertising. (Akter, 2012)². Consumers expect green companies to engage in a broad set of actions, particularly reducing toxics, recycling and managing water. Many consumers prefer to spend more on green products, especially in developing economies (Tiwari, Tripathi, Srivastava, Yadav, 2011)³.

However, green marketing can also be criticised and scrutinized, especially if businesses engage in "greenwashing" by using green marketing tactics to appear more environmentally friendly than they actually are or by making false or exaggerated claims about the environmental benefits of their products. The best way for businesses to avoid these issues is to practise honest, open, and verifiable green marketing. They must also be prepared to make a long-term investment in sustainable methods.

Objective of Study:

1. To determine if eco-labelling increases customer demand for green products.
2. Examines the factors influencing consumers' preferences for eco-friendly products

3. To assess regional consumer environmental sustainability awareness towards eco-friendly products
4. To assess the attributes considered by consumers while purchasing green products.

Statement of The Problem:

Green marketing covers more than a firm's marketing claims. While firms can have a great impact on the natural environment, the responsibility is not theirs alone. Consumers should be willing to patronize green products and make their contribution supporting the sustainable environment. (Hartmann & Apaolaza-Ibáñez, 2006)⁴. The deterioration of the environment has led to the adoption and development of consciousness among consumers to purchase eco-friendly products, in order to preserve the planet. (Luck et al., 2009)⁵. Previous studies reveal that consumers are willing to pay more for green products. (De Pelsmacker et al., 2009)⁶. However, it has become a global struggle to achieve the purpose of environmental protection, therefore companies are using various means to persuade consumers, who are environmentally conscious to change their preferences from conventional products to green products. (Kumar, 2011)⁷. Though, there are sufficient opportunities for green marketing in Ahilyanagar it also faces a lot of challenges in making the green marketing initiatives reach its consumers. In this study, the researcher has made an attempt to analyse the factors influencing the purchase of eco-friendly products.

Review of Literature:

Chitra identified green marketing mix as “product, price, place, promotion, process, people and physical distribution”. “Product” refers to a healthy consumption, “Price” represents the value of the product or service, “Place” is products’ attainability, the “Promotion” means focusing on the eco-friendly products’ promotion and “Physical Distribution” involves storage. “People” consists of employees and customers who should have eco-mentality in production and consumption.

Modi and Patel in their investigation found that consumers have begun to change their purchasing patterns by preferring “environmentally friendly products” or “green products”. The patterns signal a niche market for consumption of green products that is expanding internationally. This marketing trend and resulting consumer purchasing patterns have favoured a new segment of green or ecological consumers.

Peattie in her article clearly points out that green marketing can be divided into three phases. The first phase is known as “Ecological” green marketing where all the marketing programmes and activities are implemented to minimize the damage to the environment and to offer the best possible solutions to prevent environmental problems. The second phase is named as “Environmental” green marketing wherein more attention is paid to clean technology that includes the designing of new products to solve waste and pollution issues. The third phase is “Sustainable” green marketing which came into prominence in the late 1990s and early 2000. This seemed to be a

more radical approach which involves the entire environmental costs of production and consumption to produce a sustainable economy.

Delafrooz et al., have mentioned in their study that applying eco-brand aspects can help consumers to distinguish them by some means from other non-green products.

Methodology:

The sample size of the study is 200. Convenience sampling technique has been used in this study. Data were collected from respondents in the age group of 25-60 years. The present study is based on both primary data and secondary data. Primary data was collected from consumers using questionnaire. Secondary data consists of different literature from various sources like websites, books, journals and magazines. Since the study has its own predetermined objectives and methodology, it is both descriptive and analytical in nature. The data were analyzed using the Statistical Package for the Social Sciences (SPSS). The statistical tools used for the analysis of data in this study are Percentage analysis, Garrett ranking technique, Likert’s scaling technique and factor analysis.

Data Analysis:**Socio-economic profile of the respondents:**

Socio-economic variables such as age, education, occupation, income, family size and marital status indicate the socio-economic profile of the respondents. Additionally, the place of purchase of green products is ascertained.

Table 1. Socio-economic profile of the respondents

Variables	Characteristics	Respondents (In Percentage)
Age	25-35 years	31
	35-45 years	22
	45-55 years	36
	Above 55 years	11
Gender	Male	54
	Female	46
Educational Qualification	Higher Secondary	23
	UG Degree	32
	PG Degree	33
	Above PG Degree	12
Occupation	Business	21
	Professionals	22
	Govt. Employees	11
	Pvt. Employees	20
	Home makers	18
	Fishing	5
Monthly Income	Below Rs. 10000	20
	Rs. 10000-20000	43
	Rs. 20000-30000	12
	Above Rs. 30000	25
Family size	2-4 members	49
	4-6 members	40
	6-8 members	11
Marital Status	Married	71
	Unmarried	29
Place of Purchase	Nearby store	31
	Online	21
	Supermarket	48

Source: Primary data

Table 1 shows the socio-economic profile of the respondents which reveals that 89% of respondents are below 55 years of age. More than half of the respondents are females (46%) and have completed their degree (65%). Majority of the respondents earn a monthly income of

Rs. 10,000 – Rs. 20,000 (43%), are private employees (20%) and are married (71%). Most of the respondents have the family size of 2-4 members (49%) and nearly half (48%) of the respondents purchase green products from the supermarket.

Table 2. Ranking of the attributes of green products using Likert’s scaling Technique

S. No	Attributes	*Total Score	**Mean Score	Rank
a)	Quality	504	4.660	I
b)	Durability	499	4.546	II
c)	Environmentally safe ingredients	478	4.402	III

d)	Eco-brand	461	4.345	IV
e)	Certification on the Package	368	4.332	V
f)	Price	362	4.282	VI
g)	Eco-labels	358	4.222	VII
h)	Ease of use	350	3.215	VIII
i)	Color/Smell	349	3.202	IX
j)	Appearance/design	346	3.136	X

*Total Score = (SA× 5) + (A ×4) + (NO×3) + (DA×2) + (SDA×1)

**Total Score /No. of respondents

Source: Primary data

Table 2 indicates the ranking of the attributes of green products using Likert’s scaling technique. Among the attributes „Quality” was considered as the most important attribute by the respondents and it ranked first with a mean score of 4.660, followed by „Durability” which ranked second with the mean score of 4.546 and „Environmentally safe ingredients” ranked third with a mean score of 4.402. „Eco-brand”, „Certification on the Package” and „Price” ranked fourth, fifth and sixth with a mean scores of 4.345, 4.332 and 4.282 respectively. The attributes „Eco-labels”, „Ease of use” and „Color/Smell” ranked seventh, eighth and ninth with mean scores of 4.222, 3.215 and 3.202 respectively. The Appearance/design” of green products is of less importance to the respondents and therefore got the last rank with a mean score of 3.136.

An attempt was made to analyse the factors influencing the purchase of green products. Factor analysis was used for this purpose.

Findings:

- From the foregone analysis, it is seen that most of the respondents are in the age group of below 55 years, are female, married, private

employees and have the family size of 2-4 members.

- They have completed their degree and earn a monthly income of Rs. 10000-Rs. 20000. Nearly half of the respondents purchase green products from the Supermarket.
- The analysis on the attributes considered important while purchasing green products reveals that „Quality” and „Durability” with the mean scores of 4.660 and 4.546 got the first two ranks.
- Appearance/design” got the least rank with a mean score of 3.136.

Suggestions:

- The study reveals that quality is the most important attribute that consumers look for in green products. Therefore, manufacturers of green products should ensure that the products are of impressive quality in order to attract more consumers towards green products.
- The consumers are willing to pay more for the utility derived from green products hence the durability and performance of green products should be the factor distinguishing them from that of the conventional products available in the market.

Conclusion:

Green marketing being an innovative concept is gaining importance among consumers who would like to go green. The focus by manufacturers on the benefits acquired by consumers has enabled them to persuade everyone to buy green products. Though green marketing firms face a lot of challenges like expensive raw materials and requirement of huge investment for green technology, it has gained acceptance among the consumers of Ahilyanagar. As environmental issues continue to affect human activities, the shift to green products from the conventional ones has become inevitable. Thus, the modern consumer who is environmentally responsible prefers to buy more of green products thereby supporting sustainability and green marketing. The research also highlighted some important elements that raise customers' sustainability consciousness. Age, income, and level of education are examples of demographic influences, while peer pressure, the media, and commercials are examples of cultural effects. The results also imply that businesses and marketers may play a significant role in raising sustainability consciousness by enacting efficient sustainability communication strategies and creating environmentally friendly products that satisfy consumer demand

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