Green Marketing: A Study of Consumers’ Attitude towards Environment Friendly Products

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Abstract: Concerns regarding the preservation of environment are increasingly becoming evident in the eco-conscious market places. This has resulted in the emergence of green marketing concept which has been adopted by developed countries long ago, but recently developing countries like Pakistan have awakened to green movement as well. This study investigates the consumers’ attitude towards environment friendly products and its’ impact on consumers’ purchases intentions. It was conducted in the third largest city and industrial hub of Pakistan i.e. Faisalabad, where due to heavy industrial activities and large population, environmental issues have become the persistent public concerns. The primary focus of this research is to investigate whether the green marketing influences consumer’s buying behavior or not. Furthermore the factors that motivate green-buying attitude among the consumers are examined and major challenges/problems confronted by the consumers are identified. A survey is conducted from a sample of 150 respondents selected through convenience sampling technique. The data is analyzed by employing descriptive statistics and regression analysis. The results of the study show that consumers’ attitude significantly influences consumer’s green buying intentions along with other major variables like eco-literacy, values, perceptions and behavior. It is found that there is great potential for environment friendly products in Pakistan consumers, as considerable number of respondents tends to be collectivistic and ecologically conscious that ensures more chances of their engagement in pro-environmental behavior and hence influencing their green purchase intentions.

Keywords: Green Marketing, Consumers’ Attitude, Purchase Intentions, Buying Behavior

INTRODUCTION

In the past decades increased consumer consumption resulted in rapid economic growth worldwide but this advancement caused major harms to the environment through over-consumption of the natural resources. The damage has been done to the environment and it has already crossed the threshold. Due to this we face with serious environmental issues like global warming, acid rains and depletion of ozone layer. As environmental degradation directly affects the consumer wellbeing in long run, thus environmentalism has become persistent public concern. The negative impacts of environmental issues caused mankind to seriously take remedial actions to conserve the environment. With this emerged the concept of green movement, which promotes green production methods, green marketing and adoption of green lifestyle. In order to preserve the environment, both the developed and developing countries are actively participating in this Green movement (Grunert, 1993).

Environment friendly products are also known as green products and this has become a buzzword these days. However, defining what ‘green’ is very difficult. Government agencies, environmental organizations, business leaders, consumer interest groups and academic community are all keenly interested in knowing what exactly it means to be ‘green’? (Gorman, 2010). According to Tobin (2009), green is anything that is environment friendly and have no or minimum impact on environment.

Many consumers over the years have realized the importance of environment friendly products. Thus, shopping lay special importance on the ecological issues like preferring biodegradable products, products with recyclable packaging etc. Such ecologically conscious consumers are even willing to pay more for the environmentally friendly products.
Environmental concern is linked to consumer behavior and consumers are assumed to play an important role in solving the environmental problems by preferring environmental friendly products and even ways of life (Uusitalo, 1986; Thogersen, 1996, 1999). The increase in the rate of environmental consciousness spreading worldwide resulted in the expansion of environment friendly products’ market at a remarkable rate (Prothero, 1990).

Before the emergence of green marketing, in order to survive in competitive business world, customer satisfaction and long lasting relationship with the stakeholders were the primary objectives of many businesses (Chen and Chai, 2010). But in current era, where more and more people are inclining towards green products, many businesses begin to adopt this strategic tactic of green marketing to gain sustainable competitive advantage. They not only try to make their products green but also implement this on their processes, production methods, selling and disposal of wastes as well (Hassan et al., 2012).

In developing country like Pakistan, one of the major issues with green marketing area is that there has been little attempt to academically explore and examine the green or environmental marketing. Furthermore in previous findings the results regarding consumer’s perception about green marketing of eco-friendly products are conflicting. For example in some studies it was concluded that quality of conventional products is high as compared to eco-products but in others it is vice versa (Vernekar and Wadhwa, 2011). In some studies it was concluded that consumers are willing to pay more eco-friendly products while in others it was stated that the extra price has to be low or some other case (Pirani and Secondi, 2011; Vernekar et al., 2011). These previous findings lead us to generate our own opinion about this subject.

Pakistan’s urban as well as literate consumer is getting awareness about the merits of green products, but it is still a novel concept or idea for the masses. Even though there is increase in the rate of consumer awareness about green marketing and environment friendly products among Pakistani consumers in the past few decades but some barriers can be found towards the diffusion of environment oriented consumption and production methods (Ali et al., 2011). Major purpose of this study is to explore the dynamics of green marketing, keeping in view the consumers’ attitude towards purchasing environment friendly products. Thus, this research investigated the consumer’s perception about the green products that have minimal harmful effects on the environment. Further, the major factors that influence or motivate the consumers to buy environmentally safe products had also been studied. As little research has been done in this area, thus this research will prove to be helpful for the marketers who are trying to target the green consumers and will also help them understand the consumer’s green behavior and their motivation behind buying green products. The research could have vital and significant effect on the readers as they play important role of consumers in this research and also safeguard earth from detrimental ecological affects. Furthermore it could reveal the marketing strategies that can be adopted by the marketers to understand the consumer’s needs in a better way with respect to environment friendly products.

**LITERATURE REVIEW**

All around the globe, green marketing had been considered as one of the major trend in modern businesses (Kassaye, 2001; McDaniel and Rylander, 1993; Pujari and Wright, 1996). The concept of green products and green services was dated back in late 1980’s (Nervi, 2008). Since then, to be environment friendly became a trendy characteristic that was being associated with the certain category of products that were limited to elite, as general idea about environment friendly products was being expensive than conventional products. Thus, they didn’t find their place in everyday shopping habits. But with the increased awareness about the environmental issues, consumers had become more demanding and they began to pay more attention to the preservation of the environment (Rajpot, 2011; Bukhari, 2011). Environment conscious consumers also known as green consumers felt that the environmental protection job should have not left to businesses, government, scientists and environmentalists only. They believed that consumers should have
also played a role and should incline more towards the pro-environmental purchase behavior (Beztop, 2012).

Not only this, green marketing had opened the gates of opportunities for the firms to co-brand products in new and separate product lines (Mishra and Sharma, 2010). With that, companies began to target consumers who were more environmentally conscious and thus began to exploit the opportunity. The increased awareness about the environment friendly products made a large number of consumers to boycott such manufacturer and companies who were not implementing green marketing practices. Thus many firms had adopted this green marketing concept to target such consumers who were environmentally conscious and were willing to pay more for the green products. Thus, green marketing had become a source sustainable of competitive advantage for many firms (Chen and Chai, 2010).

There are many factors that affect the consumers’ green purchase intentions. The previous research showed that habit strength, norms, beliefs and values played an important role in determining the consumer willingness to curtail and consumer willingness for the adoption of green purchase intentions and behaviors (Jansson et al., 2010; Chen and Chai, 2010). Among values, collectivism found to be an important one, influencing the green purchase intentions as, collectivist consumers who valued cooperation and group goals might be more motivated towards pro-environmental choices, as they believed that their efforts might make a difference in the conservation of the environment (Kim, 2006; Chan, 2001).

According to the consumer’s consciousness about the environment might have impact on its purchase decision but they could also be influenced by the other moderating factors. Research indicated that attitudes were the major predictors of environmental purchase behavior. On the other hand, about eco-literacy contradictory findings exist in literature (Schlegelmilch et al., 1996). As Lai (2000) concluded that it was not necessary that all consumers who were environmentally aware and conscious would have green purchase behavior. These findings were found to be in line with Maloney and Ward (1973) who confirmed the non-existence of linkage between environmental knowledge and ecologically compatible behavior. Contrarily, it was concluded in some studies that eco-literate people tend to pay premium prices for environment friendly products (Amyx et al. 1994).

Green buying behaviors and intentions were also found to be influenced by social group’s responsiveness and knowledge. Furthermore, Research also stated that the perceived seriousness of the environmental issues and an individual’s exposure of the problem had also been associated with the green brand preference (Hassan et al., 2012). Moreover, Behavioral change towards sustainable development driven by the concern for environmental issues, proved to last longer than behavior driven by financial incentives or offers. (Young et al. 2006).

With the increasing popularity of green products, many firms began to exploit the green marketing strategies by their fake green claims. Thus, it was found that consumers used to boycott those firms or organization that took advantage of green movement and falsely claim to have products that were environmentally safe. Thus if companies were not fair in their claims and were just exploiting the green marketing, consumers might become alienate and boycott purchasing from such companies (Cairncross, 1992; Polonsky, 1994).

Furthermore, it was also found that positive attitude towards environmental issues didn’t necessarily translated into environment friendly purchasing behavior. It was found that majority of consumers didn’t merely purchase products based on their environmental concern rather they considered other product attributes while making a purchase decisions (Gan, 2008). D’Souza et al., (2006) reported that if green products were of lower quality with high prices, then generally consumers’ perceptions and consumers’ purchase intentions were found to be negatively associated. There was an expectation on behalf of the consumers that the green products offered should had been environmentally safe and there should had not be a need to trade off quality or pay extra prices for such products (Gupta and Ogden, 2009).
**CONCEPTUAL FRAMEWORK**

In this research, variable of consumers’ purchase intention was tested for its relationship with variables like consumers’ values, eco-literacy and consumers’ perceptions about the environment friendly products, consumers’ attitude towards environment friendly products, consumers’ behavior towards environment and consumers’ knowledge about the environmental issues. It was also investigated whether consumer’s perception and attitude have impact on the consumers’ green purchase intentions. Similarly impact of eco-literacy and consumers’ values towards environment friendly products, on purchase intentions has been shown in this conceptual model.

**Fig. 1. Conceptual Model**

**Eco-Literacy, Values, Behavior, Attitude and Perceptions (Lorache et al., 2001)**

**METHODLOGY**

This research has explored the consumers’ attitude about the environment friendly products in third largest city (Faisalabad) of Pakistan, which is considered as the industrial hub of the country. A survey was conducted for collecting data to document and analyze the consumers’ attitudes, concerns and understanding of green marketing and environment friendly products. The impact of major factors promoting consumer’s motivation towards purchasing environment friendly products was empirically estimated. Furthermore problems and challenges faced by the consumers were identified in the study. One hundred and fifty respondents were selected through convenience sampling. Data for this research was collected from respondents through personal interview. The respondents were surveyed at University, Telecommunication franchises, various banks and textile mills. Prior to survey, a pre-testing of questionnaire was conducted in order to remove any irrelevant or ambiguous questions. Both open ended and close ended questions were included in the questionnaire. The collection of categorical data was done by using 5 point Likert scale, from strongly agree (5) to strongly disagree (1). After collecting complete data next step was data mining, coding and finally complete data was entered into the SPSS software with due care for accuracy. Relationship between consumers’ purchase intentions of environment friendly products and other variables like eco-literacy, values, attitude, behavior, motivation and demographics was estimated with the help of regression analysis, using the following form:

\[ PI = f(E, V, P, A, B) \]

Above equation can be written in a more specific way as:

\[ PI = \beta_0 + \beta_1 (E) + \beta_2 (V) + \beta_3 (P) + \beta_4 (A) + \beta_5 (B) + e \]

Whereas:

- \( PI \) = Purchase Intention
- \( E \) = Eco-Literacy
- \( V \) = Values
- \( P \) = Perceptions
- \( A \) = Attitude
- \( B \) = Behavior

**RESULTS AND DISCUSSION**

Correlation was estimated between the consumer purchase intentions and values, eco-literacy, perceptions, attitude and behavior. Positive sign signifies that there exit a positive relationship between the variables while the negative sign represents a negative or indirect relationship between the variables. If the value of Pearson’s correlation is closer to 1, it depicts a strong relationship among the variables, while if the Pearson’s correlation value is closer to 0, then this means that there exists a weak relationship between the variables. The consumers’ green purchase intentions and consumers’ attitude about environment friendly products has a positive value of 0.616 (p<0.01) which depicts that consumer’s purchase intentions and consumers’ attitude has the most strongest positive relationship as compare to all other independent variables. Furthermore it signifies that changes in consumer’s attitude are correlated to the changes in consumer’s intentions. Consumers’ Intentions and consumers’ perception about environment friendly products has a positive Pearson’s r value of 0.426 (p<0.01) which shows a strong positive relationship between the two variables.
and they are correlated to each other. Moreover, consumers’ purchase intentions and consumers’ values that they hold regarding environment friendly products, have a positive value of 0.412 \( (p<0.01) \) which signifies that there exist a strong positive relationship between consumers’ intentions and consumers’ values. There also exists a strong correlation between the two variables signifying that change in consumers’ values brings change in consumers’ intentions. On the other hand, a significant relationship between consumers’ intentions and consumers’ behavior can be concluded based on the positive Pearson’s r value of 0.209 \( (p<0.05) \) and thus signifies the existence of correlation between the respective variables. According to the table consumers’ intentions and consumers’ eco-literacy rate have a least significant relationship as depicted by the positive value of 0.201 \( (p<0.05) \).

Concluding correlation analysis, it was identified that the strongest relationship was found between consumers’ green purchase intentions and consumers’ attitude towards the environment friendly products, consumers’ perceptions, consumers’ values and consumers’ behavior respectively.

**Table I: Correlation among variables**

<table>
<thead>
<tr>
<th></th>
<th>Intentions</th>
<th>Perceptions</th>
<th>Behavior</th>
<th>Attitude</th>
<th>Value</th>
<th>Literacy</th>
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<td>Intentions</td>
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<td></td>
<td></td>
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<tr>
<td>Perceptions</td>
<td>.426**</td>
<td>1</td>
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<td>(.000)</td>
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<tr>
<td>Behavior</td>
<td>.209*</td>
<td>.479**</td>
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<td></td>
<td></td>
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<td>(.010)</td>
<td>(.000)</td>
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<td></td>
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<tr>
<td>Attitude</td>
<td>.616**</td>
<td>.485**</td>
<td>.378**</td>
<td>1</td>
<td></td>
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<tr>
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<td></td>
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<tr>
<td>Value</td>
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<td>.414**</td>
<td>.419**</td>
<td>.431**</td>
<td>1</td>
<td></td>
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<td></td>
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<tr>
<td>Literacy</td>
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<td>.0207*</td>
<td>.208*</td>
<td>.209*</td>
<td>.211*</td>
<td>1</td>
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<td></td>
<td>(.002)</td>
<td>(.000)</td>
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<td>(.010)</td>
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*Source: Author’s Own Calculations; ** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed).*

R\(^2\) is also termed as coefficient of determination and provides information about the proportion of variation explained by independent variables jointly, in dependent variable. R\(^2\) lies between 0 and 1; if the value of R\(^2\) is closer to 1, it is said the model is better fit (Gujrati, 2012). In the analysis the value of R\(^2\) is found to be 0.435 which indicates that set of independent variables explained 43.5 % change in dependent variable i.e. purchase intentions of environment friendly products. This value also explained that rest of the 56.5% change in dependent variable was caused by some other variables, whose effect couldn’t be explained by the stated model.

Adjusted R\(^2\) signifies adjusted for degree of freedom. More often it is used for cross sectional data. In the analysis the value of Adjusted R\(^2\) was found to be .416 which is significant. The value of Adjusted R\(^2\) represents that all independent variables explained 41.6% change in the dependent variable, keeping all other factors constant.

F-ratio implies that whether all the independent variables tend to be significant or non-significant in terms of causing variation in the dependent variable. The F-value in the analysis is 22.22 \( (p<0.01) \) which is highly significant and explains the overall appropriateness of the model.

Thus, considering all, eco-literacy, values, perceptions, attitude and behavior seem to be important variables as they influence the purchase intentions of consumers towards environment friendly products. Attitude has the most significant relationship with the dependent variable; purchase intentions by having a coefficient value of 0.667 \( (p<0.05) \). The coefficient explains that if there will be one unit improvement in the response category of attitude, there may be 0.67 units improvement in the response category of purchase intentions.
These results are in line with the previous study which stated that consumers’ attitude towards environment friendly products can be translated into green intentions and further into pro-environmental behavior (Amyx et al., 1994). According to Chang (2011) consumers can have ambivalent attitudes regarding the environment friendly products based on their positive and negative evaluation of the products. This is found to be in agreement with the results of this research that attitudes have a seminal influence on the green purchase intentions.

Furthermore, values have a coefficient of 0.234 (p<0.05) which depicts that values also acts as a strong determinant of green purchase intentions and this indicates that if there will be one unit improvement in the response category of values, there may be 0.67 units improvement in the response category of purchase intentions. This substantiates previous findings in the literature which supported the concept that values have significant impact on consumers’ green purchase intentions. As mentioned earlier, the study investigated two specific values, individualism and collectivism. Collectivistic individuals often forego individual motivations for the sake of group goals and are found to be more concerned about the environment and thus prefer to purchase environment friendly products. This result is in agreement with previous studies (Triandis, 1993; McCarty and Shrum, 1994).

Regression Analysis has also pointed out that perceptions also have strong positive relationship with purchase intentions which can be concluded from the significant coefficient value of 0.174 (p<0.05) and this represents that if there will be one unit improvement in the response category of perceptions, there may be 0.67 units improvement in the response category of purchase intentions. Perceptions are the general image the consumers have in their minds regarding the environment friendly products and it was revealed from the results that Faisalabad’s consumers hold positive perceptions with respect to green products. It was also found that behavior has significant relationship with purchase intentions as indicated by the positive coefficient of 0.133 (p<0.10) and it shows that if there will be one unit improvement in the response category of behavior, there may be 0.133 units improvement in the response category of purchase intentions.

Surprisingly, according to the analysis, eco-literacy has no significant relationship with the purchase intentions with a coefficient of 0.088 (p<0.1) which explains that if there will be one unit improvement in the response category of eco-literacy, there may be no improvement in the response category of purchase intentions. Regarding eco-literacy contradicting findings can be found in the literature and thus this study’s results are corroborated with previous studies which supported the concept that eco-literacy has little impact on the consumers’ green purchase intentions (Lorache et al., 2001). It is not necessary that consumers who are ecologically well aware, will more likely to engage in pro-environmental behavior.

Taken together, it can be concluded that the above model having purchase intentions as dependent variable and independent variables (eco-literacy, values, perceptions, attitude and behavior) termed as good fit as indicated by the value of F-test 22.218 which is significant at 99% level of confidence and the positive value of coefficient of independent variables indicates a positive relation.

| Table II: Regression Analysis Results |
| Variables | Coefficient | Standard Error | T-Value | Significance |
| (Constant) | 0.348 | 0.402 | 0.867 | 0.388 |
| Literacy | .088 | .092 | .966 | .335 |
| Value | .234 | .092 | 2.543 | .012 |
| Perceptions | .174 | .083 | 2.111 | .037 |
| Attitude | .667 | .098 | 6.811 | .000 |
| Behavior | .133 | .069 | 1.937 | .010 |
| R² | 0.435 |
| Adjusted R² | 0.416 |
| F-Value | 22.218 |
CONCLUSION

The study answers the questions like – whether consumers attitude towards environment friendly products translate into purchase behavior or intentions. The answer to this question was, attitude influences the purchase behavior and intentions in long run but some other factors play important role in it too, like values (collectivism and individualism), perceptions, behavior and eco-literacy. Furthermore, concerns or problems faced by the consumers of Faisalabad regarding environment friendly products were identified through survey. The study revealed that Faisalabad’s consumers showed quite a positive attitude towards green products and the concept of “going green”. They believe in the claims made by environment friendly products and advertising, which is a positive signal for the businesses and green marketers, as it shows a great potential for green marketing and green products in Faisalabad city. But there are some problems being faced by the consumers like non-availability of environment friendly products and it was also found that they that there are large no. of consumers who are willing to buy green products but they are price and quality conscious. Research identified another consumer’s concern that there are less sources of information regarding the environment friendly products. Thus this research can prove to be helpful for the businesses and marketers who are perusing green marketing and planning to target green consumer segment of Faisalabad.

RECOMMENDATIONS

The study reveals that Faisalabad has great potential for green products and an identifiable segment of consumers is willing to purchase environment friendly products but their non-availability becomes a major hindrance. Thus marketers and managers should ensure the easy access to the green products by making them available on large scale. Furthermore it was found that consumers hold a general perception about the environment friendly products i.e. they are expensive as compare to conventional products. Hence, marketers need to make consumers believe that although the green products seem to be expensive but this high price is counterbalanced with the benefits that come along with them. This can be achieve by educating consumers about the pro-health and pro-environmental benefits associated with green products, through in store promotions, print media and other modes of advertising. Moreover, considerable number of consumers found to be undecided when it comes to environment friendly products and thus this segment can’t be overlooked. In order to target such consumers, marketers should try to present the attributes of their environment friendly products as the solutions to the needs of consumers, so that they can be converted into potential green buyers in future. Survey revealed that majority of consumers lay immense importance on the reference group opinions which further shape their buying decisions, thus word of mouth emerged to be another vital variable which can be further explore in this context and it will go a long way to assist marketing managers to develop suitable and superior environment friendly products that meet the consumer’s need and hence can be referred by more and more green consumers.

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Received on 17th Aug 2015  Accepted on 20th Nov 2015 Manuscript can be viewed online at www.luawms.edu.pk