

A STUDY ON CUSTOMER PERCEPTION TOWARDS GREEN PRODUCTS IN COIMBATORE – EMPIRICAL STUDY.

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Abstract

Environmental problems are still the main concern for the entire world and human beings. Air pollution, greenhouse effects and ecological unbalances, are the main environmental problems that have occurred till now along with the activities of human being. As environmental concerns have increased, majority of customers prefer to buy greener products. The influence of the green consumer will grow as environmental awareness among consumers spreads and improvements are made to the environmental information available through eco-labeling schemes, consumer groups and consumer guides. Objectives of the study, To find out relationship between demographic variables of consumers and consumer perception towards Green products in Coimbatore. Descriptive design as the name itself implies, is conducted to describe something. This study describes the factors that lead to the green market product in Coimbatore city. Here the descriptive research was conducted to find out the information about the factor and to spot light the Consumer preference to green product. The research data was collected from Coimbatore. The collected data have been analyzed with the help of tools like simple percentage method and Chi-square test. Findings of the study, It is concluded that there is a close relationship between Demographic variables (Gender, Age, Marital status, Educational qualification, Profession, Family members, Earning pattern, Family income, Respondents income and deciding authority) of the respondent and overall customer perception towards green products. Conclude this study, The effective green marketing requires applying good marketing principles to make green products desirable for consumers. Green marketing is still in its infancy and a lot of reformation is to be done with a view to explore its full potential.

Key words: Changing consumer behaviour, environmental concerns, green marketing, green products and marketing activities,etc.,

1.1.INTRODUCTION

Green Marketing refers to the process of selling products and/or service 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. The obvious assumption of green marketing is that potential consumers will view a product or services “greenness” as a benefit and base their buying decision accordingly. The not-so-obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for less-green comparable alternative products- an assumption that, in my opinion, has not been proven conclusively. While green marketing is growing greatly as increasing numbers of consumers are willing to back their environmental consciences with their dollars, it can be dangerous. The public tends to be skeptical of green claims to being with and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company’s other products or practices. Presenting a product or services as green when it’s not is called green marketing.

1.2 REVIEW OF LITERATURE

Tara McBride Mintz., (2011), in their study entitled “Profiling Green Consumers: A Descriptive Study”, examine what actions they actually take and how they feel post-purchase. If marketers continue to rely on eco-labels, cause-related marketing, and existing green consumers the market share for green products will not see a dramatic increase. To achieve a greener world through mass green purchases and consumption patterns, marketers must address a broader range of consumers rather than focusing on those already green segments.

Usama Awan Muhammad Amer Raza (2010) in their joint research, “The role of green marketing in development of consumer behavior towards green energy”, analysed that the choice of Energy company, whether it is green or conventional, Price is the most important factor. The results show that consumers are conscious about environment and are willing to pay extra for green energy.

Ricky Y. K. Chan., (2001). In his study entitled “Determinants of Chinese Consumers’ Green Purchase Behavior” , examines the influence of various cultural and psychological factors on the green purchase behavior of Chinese consumers. To this end,a conceptual model has been proposed and subjected to empirical verification with the use of a survey. Against the foregoing background, this study aims to grasp a better understanding of how various psychological factors might affect Chinese consumers’ green purchasing. As will be elaborated later, the major factors under investigation include the consumers’ affective responses toward and knowledge of ecological issues in general, and their specific attitudes toward green purchases.

1.3 STATEMENT OF THE PROBLEM

The amount of attention given to Green Marketing is dictated by the severity of the country’s environmental problems, the amount of newspaper coverage and agitation, the amount of cleanup money available, and international pressures. Most companies will do nothing unless laws are passed. Some companies call themselves green marketing without doing much about it. A few companies, however, will see authentic business opportunities in taking leadership in green marketing and will win valuable public confidence. These green marketing leaders will think in long-run terms and takes a holistic view of the value-creation process. Sooner or later businesses must factor environmental concerns into their planning and operations. Individual firms are not likely to do this on their own, because it will raise their cost hurt their competitiveness. T he hope is that industry associations will set standards. Otherwise the government will have to improve environmental requirements on entire industries.

1.4 OBJECTIVES OF THE STUDY:

To find out relationship between demographic variables of consumers and consumer perception towards Green products in Coimbatore.

1.5 HYPOTHESIS OF THE STUDY

There is no relationship between socio economic conditons of consumers and consumer perception towards green products in Coimbatore.

1.6 METHODOLOGY OF THE STUDY

“Research design is the arrangement of activities for the collection and analysis of the data in a manner that aims to combine relevance to the purpose with economy in procedure. For this study

the design used was descriptive. Descriptive design as the name itself implies, is conducted to describe something. This study describes the factors that lead to the green market product in Coimbatore city. Here the descriptive research was conducted to find out the information about the factor and to spot light the Consumer preference to green product. Total population was infinite. - Out of the total population the researcher found 200 consumers for this study. Both primary and secondary data were collected for this study. The objective of the study has been accomplished with the help of primary data collected from 200 consumers. The pre-decided number of samples has been selected based on the convenience sampling method. For the selection of samples, from Coimbatore. The selected samples are met in person and the required data have been collected with the help of a pre-tested questionnaire, which included information like age, sex, opinion on the green product etc. Secondary data was collected from the related books and websites. The entire group from which a sample is chosen is known as sampling unit. The research data was collected from Coimbatore. The collected data have been analyzed with the help of tools like simple percentage method and Chi-square test.

1.7. LIMITATIONS OF THE STUDY

1. Accuracy of the primary data collected depends upon the authenticity of the information filled by the respondents in the questionnaire.
2. Due to their busy schedule, the respondents were able to furnish very few information which is considered to be one of the major constraints of this study.
3. The study is restricted to Udumalpet taluk alone and the findings may not be applicable to other similar concerns.

1.8. ANALYSIS AND INTERPRETRATION

THE RELATIONSHIP BETWEEN DEMOGRAPHIC VARIABLES AND CONSUMER PERCEPTION TOWARDS GREEN PRODUCTS

CHI-SQUARE TEST

DEMOGRAPHIC VARIABLES	CALCULATED CHI-SQUARE VALUE	TABLE VALUE	DF	S/NS
Gender	66.252	9.488	4	*
Age	192.273	31.410	20	*
Marital status	8.029	9.488	4	*

Educational qualification	130.954	21.026	12	*
Profession	147.127	31.410	20	*
Family members	104.983	21.026	16	*
Earning pattern	37.673	9.488	4	*
Family income	248.616	31.410	20	*
Respondents income	151.764	31.410	20	*
Deciding authority	84.660	26.296	16	*

*5% Significant Level

It is divulged from the above table that the calculated chi-square value is greater than the table value and the result is significant at 5% level. Hence, the null hypotheses (H_0) is rejected and the alternative hypotheses (H_1) is accepted. The hypothesis “Demographic variables (Gender, Age, Marital status, Educational qualification, Profession, Family members, Earning pattern, Family income, Respondents income and deciding authority) of the respondent and overall customer perception are associated” and holds good. From the analysis, It is concluded that there is a close relationship between Demographic variables (Gender, Age, Marital status, Educational qualification, Profession, Family members, Earning pattern, Family income, Respondents income and deciding authority) of the respondent and overall customer perception towards green products.

1.9. SUGGESTIONS OF THE STUDY

THINK BROADLY ABOUT THE CONSUMERS: Avoiding the tendency to categorise and limit the sustainability audience as a niche eco or concerned consumer. Many consumers do not label themselves as green or eco even though they may be concerned about similar environmental issues. Also, some audiences (especially younger consumers) simply expect that green credentials will be embedded within the brands they like.

INNOVATIVE APPROACH: Sustainability is no longer limited to the corporate function of the business. It can be visible across individual brands and in product innovation. The corporate should think

of ways to connect with customers at the product level to solve sustainability issues and also consider innovative partnerships. Retailer M&S, for example, teamed up with Oxfam to encourage customers to return clothes and reduce waste.

INTEGRATE THE BRANDS: Sustainability can only be incorporated into the brand when it is at the core of the business activity. This is not a day's work but takes long-term planning. Any integration needs to apply both environmental and social factors to business operations that can then be translated through customer "touch points". For example, Nike has openly committed to reach an environmental standard across 100% of its footwear range by 2011.

TWO WAYS COMMUNICATION: Any customer communication must be relevant and appropriate to the audience. Communication can be delivered in various ways - online, through partnerships or on packaging, for example. There is plenty of scope for innovation around communication and marketing but this must be supported by real action. Be aware that big green corporate announcements - such as carbon neutrality - now make little impact.

PRICE IT RIGHT: It is still unclear as to whether people will pay more for sustainable products, and it may be sector dependent. However, consumers are thinking in terms of "smart spending" - if they pay more for a product (including ethical products) then it must deliver. The other pitfall is to assume that people will "purchase" sustainability.

1.10. CONCLUSION

The effective green marketing requires applying good marketing principles to make green products desirable for consumers. Green marketing is still in its infancy and a lot of reformation is to be done with a view to explore its full potential. Green products require renewable and recyclable material, which is costlier and is not affordable by common man. Green marketing should never be considered as just one more addition to approach to marketing, but has to be pursued with much great vigor, as it both environmental and social dimensions. Consumer awareness must be created by corporate by transmitting the message among consumers about the benefits of environmental-friendly products and services. In green marketing, consumers are even willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to emphasising on minimize the negative effects on the green products.

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