

Green Marketing and its Impact on Consumer Buying Behavior

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Abstract

With its entry into the consumer world, where customers are not only aware of numerous brands and their perceived quality, but also have begun to pay more attention to the environment and are consequently becoming more eco-friendly, green marketing is going to be a proactive topic. Consequently, the businesses are also investigating multiple consumer communication channels to encourage long-term customer loyalty through the use of green management. The study's objective is to determine how green marketing impacts consumer purchasing behaviour and how businesses may gain a competitive edge by using it. How pursuing green methods could increase demand and what obstacles businesses would face in going green. The outcomes show that businesses need to communicate with customers more frequently in order to go green, and that Environmental responsibility is less significant than factors like cost and quality. The research study took place in Mangalore, Karnataka. To comprehend the significance of green and sustainability management, data must be gathered from a variety of sources in addition to books, journals, and websites.

Introduction

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 itself 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 service's "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 a less-green comparable alternative product - 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 begin 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 service as green when it's not is called greenwashing. Simply put, green cleaning is about using products that are safe and healthy for you and the environment and about employing eco-friendly cleaning practices, like reducing water usage. It's also about using products from conscientious companies with sustainable business practices.—Green|| is an umbrella term that refers to products and practices that are organic, sustainable and/or otherwise environmentally friendly.

A product may be considered "green" if it:

- Conserves water and energy

- Prevents contributions to air, water and land pollution
- Protects indoor air quality
- Uses renewable, responsibly sourced materials
- Produces little environmental impact
- Is manufactured in an environmentally conscious way
- Using one's own bag, rather than a plastic carrier provided by a shop.

Broad and fairly ambiguous, the terms green and eco-friendly may be misleading. For example, a product labeled green may have been responsibly sourced but may not necessarily be organic. What's more, some manufacturers have been known to intentionally mislead consumers in a practice known as greenwashing.

Products and businesses that have been greenwashed may appear to be eco-friendly, but upon closer inspection, often amount to little more than a well-executed green marketing campaign.

1) Being Genuine Entails

a) Really carrying out the actions you advertise in your green marketing strategy, and b) ensuring that the rest of your company's policies are in line with your environmental initiatives. For your company to build the kind of environmental credentials that would enable a successful green marketing campaign, both of these requirements must be accomplished.

2) Educating your Customer

It's important to explain to your customers why environmental protection is important in addition to letting them know what you're doing to safeguard the environment. If not, a large chunk of your target market will ask, "So what?" and your green marketing effort will fail.

3) Giving you're an Opportunity to Participate

Giving your clients the chance to engage entails personalising the advantages of your eco-friendly initiatives, typically by allowing the client to take part in beneficial environmental action.

Why is Green Marketing Chosen by Most Marketers?

Most of the companies are venturing into green marketing because of the following reasons: Opportunity in India, around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious. Therefore, green marketers have diverse and fairly sizeable segments to cater to. The Surf Excel detergent which saves water (advertised with the message "do bucket paani roz bachana") and the energy-saving LG consumers durables are examples of green marketing. We also have green buildings which are efficient in their use of energy, water and construction materials, and which reduce the impact on human health and the environment through better design, construction, operation, maintenance and waste disposal.

Social Responsibility

Many businesses are beginning to understand the importance of acting sustainably. They are committed to attaining both profit-related and environmental goals. The HSBC evolved into Last year, the first bank in the world became carbon neutral. Coca-Cola is another such; it has made investments in numerous

recycling initiatives. There is a robust trash management programme and infrastructure in place at Walt Disney World in Florida, United States.

Governmental Pressure

Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by products. These reduce the industry's production and consumers' consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags in Mumbai, prohibition of smoking in public areas, etc.

Competitive Pressure

In order to keep their competitive edge, many businesses engage in green marketing. Many mainstream competitors have adopted green marketing strategies in response to niche businesses' efforts, like Body Shop and Green & Black.

Cost Reduction

Getting rid of dangerous garbage could save you a lot of money. Sometimes, numerous businesses have symbiotic relationships in which the garbage produced by one business is used as an affordable raw material by another material. For instance, fly ash from thermal power plants is utilised to make fly ash bricks for construction, which would otherwise contribute to an enormous amount of solid waste.

Benefits of Green Marketing

Consumers of today are getting more and more environmentally aware as well as socially responsible. As a result, more businesses are accountable to consumers' desires for items that are neutral or less harmful to the environment.

Given that they must eventually transition to becoming green, many businesses desire to gain an advantage by being first to market. The following are some benefits of using green marketing:

- It guarantees profitability as well as long-term, consistent growth.
- Even though the initial cost is higher, it ends up saving money.
- It aids businesses in marketing their goods and services with consideration for the environment.
- It facilitates market entry into new markets and provides a competitive edge. The majority of staff members also feel honoured and accountable to work for a firm that values the environment.

Literature Review

A study by Peter Kangis (1992), proposes that the challenges both for marketing specialists and for consumers, raised by the concept of green marketing, are due to several issues, such as the lack of an acceptable definition for green marketing, the absence of a clear understanding of cause-and-effect relationships in matters affecting the environment, and the overt and covert reasons for concern about such issues. Suggested that, in the hands of unscrupulous marketers, green marketing can turn into green gold. An important study by Vasanthkumar N. Bhat (1993) suggests since inputs, manufacturing processes, distribution, use and disposal methods are decided during the design stage, any company venturing out with a green marketing program must start with green design. presents methods to assess green design options that can help designers make better design decisions. It also discusses source reduction and waste

management ways to reduce waste. It is advised to use a concurrent rather than sequential approach to product development because a product must satisfy several requirements. Includes advice at the end top management should upgrade the green design of their companies. Another study by John Grant (2008) focuses on the future of green marketing and how businesses might adopt a greener strategy. A survey was carried out on 250 Chinese, Malay, Indian and other races that represent the Penang population. Factor analysis, Cronbach alpha and multiple regression were used to identify factors impact on Penang consumers actual purchase behaviour. The result revealed that customer's trust in eco-label and eco-brand and their perception of eco-brand show positive and significant impact on their actual purchase behaviour. People engage in environmental behaviour because they want to solve environmental problems, be role models, and believe that their actions can contribute to the preservation of the environment, according to Hallin (1995) and McCarty and Shrum (2001). Consumers' signs of a favourable attitude toward environmental issues, however, may not always encourage real environmental sensitivity in consumer behaviour (Laroche et al., 2002). The majority of consumers do not buy things only out of concern for the environment, and they do not sacrifice other product features for a cleaner atmosphere. Protecting and preserving the earth's resources and environment is one of the main issues that businesses and consumers face today. They are becoming more environmentally conscious and cognizant of the fact that their consumption and production patterns will directly affect the environment (Laroche, Bergeron, and Barbaro- Forleo, 2001). This understanding aligns with the notion that the world's natural resource supply is limited and that the ecological balance of the environment can be in a crucial stage of disturbance

(Hayes, 1990). Additionally, the vast majority of our environmental issues—excess waste, pollution, energy and material waste, etc.—are brought on by consumers' consumption-related actions.

Objectives

- The aim of this study is to find out how consumer behavior is influenced by Green Marketing by Companies.
- To exhibit the challenges being faced by companies pursuing green marketing.
- To study the relationship between consumers' attitude and perception towards green marketing
- To analyse consumer's willingness to pay high for green products.

Hypothesis

The use of green marketing by businesses has little bearing on the purchasing behaviour of consumers.

Research methodology

Data collection

Sample method

Rohini, Delhi (India), which is convenient and represents the socio-demographic profile of Delhi, is chosen. Sample data was gathered from purchasers who were chosen at random from green product markets and retail outlets. Questionnaires would be used to gather primary data. The questionnaire included inquiries such as whether or not the company's green marketing efforts had an impact on your purchase decision, whether or not they had an impact on your decision to make another buy, how much more you would be willing to pay, etc.

Sample Size

A random sampling approach would be used. A survey of roughly 100 customers from Delhi's Rohini and Naharpur districts would be conducted. They have experience buying these products and are also in charge of the purchasing choices.

Data Analysis

All measurements made use of Likert five-point scales. The statistical technique has been utilised to examine the data in order to meet the study's goal.

Findings

1. 70% of respondents are aware of green products
2. 30% can pay more for eco-friendly products
3. 60% have agreed that there is enough information about the products while 40% not.
4. 50% of the population in the sample agrees or strongly agrees that the organisations should practice green marketing.
5. Majority of the people are not concerned about organisations polluting environment as 58% are neutral regarding the issue.
6. 60% customers are not affected by green marketing while making purchasing decision and 40% are affected.
7. 55% buyers prefer to repurchase such products which are green and 45% are not affected.
8. Survey Questionnaires provided to reflects a social consciousness around respondents: saving and advancing the Earth's natural.

In short Green marketing encourages consumers to use eco-friendly products and manufacturers to develop more

Challenges of Green Marketing

- . Green products need expensive renewable and recyclable materials.
- . Demands a technology that would be too expensive to develop through research and development
- . Water treatment technology ,which is too costly
- .Majority of the people are not aware of green products and their uses . Majority of the consumers are not willing to pay a premium for green product

Conclusion

Green marketing is the need of today's global market. Green products and practices will help us to save our environment and it will establish sustainable development. Companies should start following green marketing in their day to day production..

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