Chapter 15

Perception of Indian Consumers Towards Green Products

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ABSTRACT

Both consumers and corporate houses are paying attention to environmental issues, and green products are gaining momentum as a result. This chapter studies the concept of green marketing along with its important aspects influencing the buying decision of consumers in South Kolkata only. Convenience sampling method was adopted to select the total sample of 266 respondents consisting of 103 males and 163 females with the help of structured open- and closed-ended questionnaires. Both primary and secondary data collection methods were adopted here in this research. Independent variables are environment friendly, packaging, innovative, quality, brand value, and dependent variable is purchase intention. A mixed result is observed regarding perceptions towards green products. Thus, based on such findings, no such generalization can be made and have to consider heterogeneity among culture, demographic, geographical variables, which varies from place to place.

INTRODUCTION

During the current period, both consumers as well as corporate houses are focusing on environmental issues and as a result, green products are also accelerating in the market domain. The corporate houses are now taking green marketing as their promotional strategies to reach more customers in the marketing mix coordinator in terms of several things like product, price, place and promotion. Concept of “green marketing” is a trend in various countries and according to Ottoman (1998), Polonsky (1994), Peattie (1992), the “green marketing” concept came from the perspectives of “sustainability”.

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Straughan and Roberts (1999) opined that the concerns for environment have evolved through many phases. From early sixties it began with the “greening concept, concentrating on pollution and energy conservation”. After that increased social and political pressure- organizations have to shift the focus on recycling, packaging issues, redesigning the product, and developing alternative products. In nineties, concern for environment has become one of the most burning issues. Organisations from United States and Europe have realised that customers purchase decision will be on the basis of environmental considerations in future – this leads to future opportunity for green marketing. Today, green marketing, is also known as sustainable marketing and environmental marketing involve product or service designing, promoting that, fix up pricing and take care distribution as per the customers’ want and the need, with less environmental damage (Jain & Kaur, 2004).

Green marketing is a concept to protect the environment for the future generation and has an impact on the safety of the environmental. Due to growing concern of environmental protection, emergence of a new market is witnessed - which is the green market. Companies interested to cater this market, need to focus on green in all aspect of their business and consumers prefer those companies that have green compliance and are ready to pay higher price for that. Today green marketing is not a simple terminology but also is a marketing strategy with great future potentiality.

As per American Marketing Association green marketing is the marketing of products that are environmentally safe. This may be explained as- “holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way” (Peattie, 1995). A holistic and responsible strategic management process that identifies, anticipates, satisfies and fulfils stakeholder needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being (Charter, 1992).

Most of the firms have started focusing on sustainable development framework which is regarded as green marketing and are environmentally friendly. Today managers may promote green marketing to earn profits and is able to satisfy customers’ needs, which, is now used by many companies to increase their competitive advantage due to concern over environmental issues.

At present the companies have to focus on the consumers’ needs and wants and on consumers want to recognize themselves with those companies that are green compliant and are willing to pay more. As result- green marketing is not only an environmental protection tool but also a marketing strategy (Yazdanifard & Mercy, 2011). Marketers need to provide training to their employees, especially their sales representative to give them knowledge regarding promotion of the green product effectively by clearly targeting to the consumers.

Today goal of the organization is to satisfy human needs and wants so that both the buyers are sellers are mutually benefited out of this. Mintu and Lozada (1993) described green marketing as the marketing tool to satisfy both organizational and individual goals through taking care of preservation, protection and conservation of environment. Due to increased media coverage, greater awareness related to environmental issues, incidence of industrial disasters and the rise of activist groups concern for the environment has been rising (Kalafatis et al. 1999). As a result, from early nineties concern for environment are increasing because of the pressure of various stakeholders, governments, environmentalists, non-government organisations (Ghoshal, 2011). This leads to green marketing approach wherein the objective is to preserve environment and satisfy customers for long term profits. Yakup and Sevil (2011) pointed out that global warming, greenhouse effect, pollution, climate changes etc. were areas of concern from the beginning of nineteen eighty. Detrimental impact on environment work as catalyst for green marketing activities and Boztepe (2012) opined that green consumers would refuse any products that may affect their health.