

Consumer perception of green product: Young generations point of view

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Abstract: The current prevalent situation has highlighted the frugality of present market situation. Although this year has been one of the worst years due to the global pandemic, but on the other hand somehow this has given a positive change on the environment and individuals' mindset as well. They are more aware and conscious about the environment, and the surrounding they are living in. People have seen this change in positive light and have a general feeling to maintain and contribute to keep the situation in the same way. So as per the researches it is the right time to test the waters for green products as more and more buyers will be inclined to their bit and hence offers a new window for green marketing/green products.

The researcher intends to carry out primary research for analyzing the perception and possible growth of these green products. Youth being the key driver for Indian economy, the researcher intends to gather the data from age group of 16-25. As this age group does not hesitate to trying out new brands/products. Hence the researcher feels that the perception and buying behavior of this targeted group will help researcher to have a better insight of their psyche along with pointers to how to move ahead with green products for manufacturers. The researcher would like to explore many untouched areas which are rarely looked at and would like to find solution which can be applied and adapted by the business sector. The research will also throw light on mind set of targeted population while giving insight about their buying behavior towards green products. There will be vast difference between green marketing and traditional way of marketing post the global pandemic, which the consumers and the producers have to take in account. Here the researcher has tried to study how green marketing/green products will be bringing a change.

Keywords: green marketing, green products, consumer buying behavior, marketing, etc.

1. INTRODUCTION:

“Do consumers really care about green? They do! But there's a chasm between green concern and green consumerism. To close that gap companies, need to communicate more effectively- and make sure their messages and marketing and pitch- perfect” - Joel Makower Executive editor, GreenBiz.com

Corporate profit from green marketing wherein overall drifts of transparency, connectivity, and augmented alertness of sustainability topics add to inclusive value of marketing messages. Sustainability oriented goods and services are becoming projected and necessitated in a world further willingly involved with conservational apprehensions. Nowadays young entrepreneurs and long run businesses are looking forward to integrate genuine green programming, rather than compromising the brand value and consumer poise. In these prevalent situations, where each individual is further motivated to the preservation of environment, green marketing can be an exceptional occasion to advance market positions

and develop their customer base. In the coming future, green marketing is going to be an essential aspect of the business world.

It is detected that economy is turning green, not adding green. As for now this transformation amid turning and adding is vital to upcoming business evolution, indirectly in which marketing is combined. There is perceived a growing request within customers and business models that combine sustainability and green action throughout management and people. Even municipalities are integrating green into their structure and in this progression of incorporating green action Nagpur which is a 3tier city is no behindhand the other metropolitan cities. Effective apprehending of customer audience consents for market adaptation of Green marketing and combination of sustainability within a business model.

Green business helps cut costs and exploit incomes for Business to business merchants, meaning those within the supply chain. Be it components, supplies, training, conservation, or by-products alteration, green marketing permits for business development by eradicating as much waste as possible. Each facet of the supply chain is exposed to green marketing and sustainability issues.

In a developing city like Nagpur Green business, this is normally identified as sustainable business is a fast-rising feature of the business world. It is observed that greenness isn't the driving feature behind consumer buying; the outcome is that consumers want products that have chemicals that are harmless in a home. Rather than buying a chlorine-based product from Clorox, customers are able to purchase non-chlorine-based products that have the similar use. This permits them to be assured in the efficiency of the product, as well as the safeness.

There is a benefit to the foremost movers in the marketplace. In green marketing, this advantage lies with who will present a green service or product. Consumers will gravitate towards the products or services that meet up their concern. By being the first one to pioneer the green substitute, marketers then are more bound to capture the mind of those consumers and generate long term consumer reliability.

By establishing a status for accountability, sustainability, and community awareness will attract forward thinking capacity, as well as preserve them. An outcome of this is the formation of a ethnicity of trustworthy employee base which can, eventually trim down recruiting overheads.

Investors have observed and are ready to invest in the next wave of immense business. As the request for such products and services is growing. Entering into the green market is striking as it illustrates a respect for the environment and public the business lies within.

A Consumers environmental alertness is a pre-condition for green purchasing which is sturdily based on the hypothesis of much green marketing literature. Both researchers and corporations seem to have mistreated while following such a behavioristic green marketing that green products are bought only if customers recognize the products as superior to competitors' offerings. The question and main emphasis is on the youth, that how green is today's youth and there valued involvement to green marketing. The Millennial whom we call as the tech-savvy generation grew up with computers and internet. They are hasty to experiment marketing practices they reckon to be forged or misleading, Skeptical of government and authority. They are capable of gathering instant reactions from millions around the world with the capability to express their sentiments through blogging, texting, and social networks. Late consumers have also become worried with environmental problems and started demanding eco-friendly products in advanced nations; meanwhile many customers are conscious of the influence of numerous substances on the environment.

By implementing and promoting green marketing means, boosting and urging people to purchase environmentally friendly product, which discloses the company as a firm which highlights their social responsibility and promote their businesses as friends of the

environment. Advancing green purchases through operative promotional campaigns entirely depends on the point of going green. Green purchase behavior of the customers is what the firm needs to recognize to attain this goal.

To boost green marketing and to lessen waste and mend energy efficiency the product, price, place, and promotion are the key components which should be modified or some alteration need to be offered in the marketing mix elements. Amended environmental value and customer satisfaction are the two intentions which Green marketing must fulfil. As the demand for green products undeniably exists, Green Marketing delivers a prospect to the companies to upsurge their market-share by presenting eco-friendly products. With the altering times the colour green has nearly become identical for environment. The term green is thoroughly allied with development and faith.

2. LITERATURE REVIEW

Green marketing is the marketing of products that are presumed to be environmentally safe. It is the tip of iceberg that Sustainability is on the rise. Eco-friendly businesses are swiftly becoming industry frontrunners; the population of conscious citizens is escalating as they have become alert of our awful environmental condition.

The mounting trend towards sustainability and the climate crisis isn't fading any time soon. According to some current studies the part of Gen-Z the batch of individual presently 23 years old or younger deeply worry about these issues, so much so that 68% of Gen-Z's lately reported that they have made an eco-friendly purchase within the past year. When news like this one announces that 73% of global millennial are agreeable to pay extra for substantially more for eco-friendly products. If a brands business practices aren't up to par, it won't be able to take benefit of this increasing prospect. When measuring company's exact loyalty to the environment, consumers are eagerly aware of nasty marketing tactics and know exactly what to look for. When measuring Businesses that challenge to market for sustainability severe public criticism can be met when the practices aren't constantly sustainable. H&M found this out prior this year when they announced their "conscious collection". After being publically accused of burning 12 tons of fresh unsold clothes per year, it didn't take long for fashion bloggers and the media to call out H&M for green washing.

The term green marketing came into prominence in the late 1980s and early 1990s.

Two tangible milestones for the first wave of green marketing came in the form of published books: Green Marketing by Ken Peattie (1992) in the United Kingdom and Green Marketing: Challenges & Opportunities for the New Marketing Age by Jacquelyn Ottman (1993) in the United States of America. Yeow Kar Yan & Rashad Yazdanifard (2014) states that the consumers' concern about the environmental protection has led to the diversification in consumer buying approach headed for a green lifestyle, as the ecological issues are getting inferior. Several valuable techniques that are used by firms to amplify economical compensation and stand a chance of getting hold of the satisfaction of customers in order to attain the firm mission and vision are Green marketing and green product development. The hazardous substance of a product may influence the consumers purchasing behaviour; hence the manufacturers tend to manufacture the commodities which are eco-friendly to convince the demand of green consumer. Around 30% of customers have assured that the green products must be energy efficient, assist in water conservation, and be safe to the surroundings throughout the procedure of manufacturing, utilize and removal. Mihaela Kardos, Manueala Rozalia Gabor and Nicoleta Cristache (2019) opening up new directions for the debate on the role and responsibilities of businesses in society, Over the last few decades, society has turn into more and more apprehensive with sustainable development issues. As a result, companies worldwide have modified their performance to better address

the new challenge, incorporating unlike aspects of sustainability into their deeds, by using sustainable products in beneficial circumstances, and also asocial actors with responsibilities to support sustainable development. Harendra Pal Singh Chauhan and Dr. Ramesh Chaturvedi(2015) Environmentalism has started getting hold of ground in India too. Mutually government and non-government organisations have floated green campaigns to battle the ever-escalating inconvenience of pollution and rapid reduction of natural resources. A number of environmental laws have been promulgated in the country to avert environmental degradation. According to Nikhil Agrawal, Akhil Agrawal(2014) the youth being the most responsive should have a apprehension about the nature and environment, for companies to be thriving in green marketing campaigns, they need to certify that consumers are truly alert of the idea of this conception. Their campaigns should be in such a way that utmost youth is fascinated in the direction of buying the goods.

“Green” is the catchphrase that is gaining recognition amid the modern generation. A number of businesses right from private entity such as Wal-Mart demanding to set in motion the conception of organic food to public entities like the London governments obstruction charge are all intended at improving the environment by promoting ‘Green’ products and issues according to a study by (Jacob Cherian and Jolly Jacob). In various nations like Canada, Brazil, China, France, Germany, India, the UK and the US have 87% of their population who has shown interest in reducing their impact on the environment, sighted through a survey by (McKinsey, 2007).

3. RESEARCH METHODOLOGY

To explore and understand buyer’s perception of green products in Nagpur city. Secondary data was collected form research papers, internet and books. The data was used to gather basic information about the topic. In order to gather primary data researcher prepared a questionnaire. The questionnaire was developed in consultation with subject faculty and research expert. The data was collected across age group of 18-25. A total data of 200 respondents was collected with the help of google form.

4. OBJECTIVES OF STUDY

To study the young generations perception about green products.

To know the relationship between their education level and understanding of purchasing behavior towards green products

To try and understand the motive behind purchase of green products

Hypothesis

H01: - There is no relation between green product awareness and user satisfaction level

H11: - There is a direct relation between green product awareness and user satisfaction level

H02: - There is no association between Green products being Status symbol and consumption pattern of the same

H12: - There is a direct relation between Green products being Status symbol and consumption pattern of the same

Case Processing Summary

		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.704	13

High value suggests that data is reliable and has medium internal consistency

Multilayer Perceptron

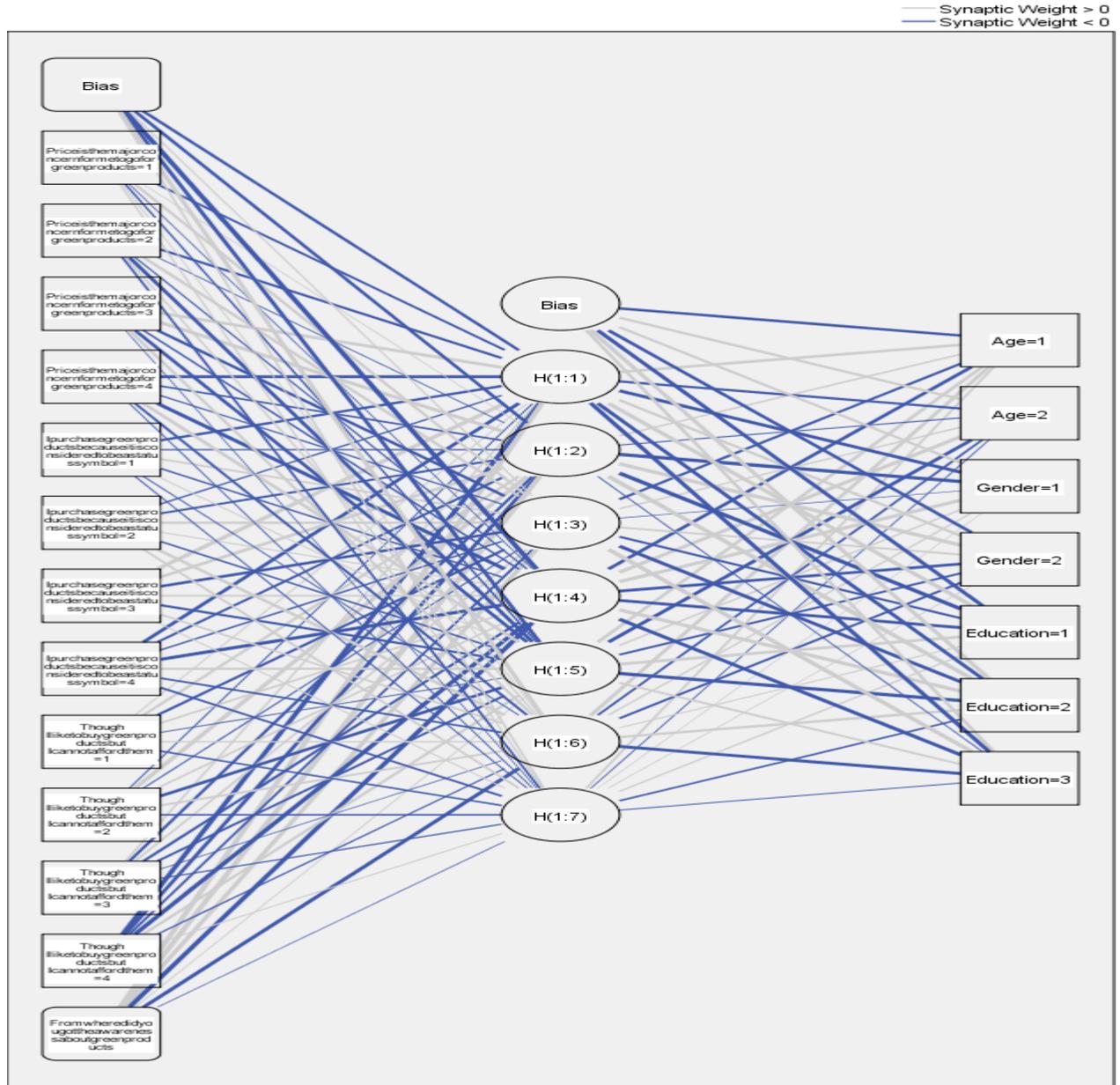
Case Processing Summary

		N	Percent
Sample	Training	142	71.0%
	Testing	58	29.0%
Valid		200	100.0%
Excluded		0	
Total		200	

Network Information				
Input Layer	Factors	1	Price is the major concern for me to go for green products.	
		2	I purchase green products because it is considered to be a status symbol.	
		3	Though I like to buy green products but I cannot afford them.	
	Covariates	1	From where did you got the awareness about green products	
	Number of Units ^a		13	
	Rescaling Method for Covariates		Standardized	
Hidden Layer(s)	Number of Hidden Layers		1	
	Number of Units in Hidden Layer 1 ^a		7	
	Activation Function		Hyperbolic tangent	
Output Layer	Dependent Variables	1	Age	
		2	Gender	
		3	Education	
	Number of Units		7	
	Activation Function		Softmax	
	Error Function		Cross-entropy	

a. Excluding the bias unit			
Model Summary			
Training	Cross Entropy Error		9.840
	Average Percent Incorrect Predictions		2.8%
	Percent Incorrect Predictions for Categorical Dependents	Age	3.2%
		Gender	4.1%
		Education	2.0%
	Stopping Rule Used		1 consecutive step(s) with no decrease in error ^a
	Training Time		0:00:00.16
Testing	Cross Entropy Error		3.554
	Average Percent Incorrect Predictions		2.1%
	Percent Incorrect Predictions for Categorical Dependents	Age	3.2%
		Gender	3.6%
		Education	2.3%
	a. Error computations are based on the testing sample.		
Overall Percent Correct			
Sample	Overall Percent Correct		
Training	93.6%		
Testing	97.9%		

The data calculation and high value suggests that data is true and gives useful output for understanding of multilayer perceptron mapping.



Hidden layer activation function: Hyperbolic tangent
 Output layer activation function: Softmax

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
I have a thorough knowledge about green products.	Between Groups	20.611	1	20.611	40.101	.029
	Within Groups	101.769	198	.514		
	Total	122.380	199			
Price is the major concern for me to go for green products.	Between Groups	20.052	1	20.052	37.632	.047
	Within Groups	105.503	198	.533		
	Total	125.555	199			

I purchase green products because it is considered to be a status symbol.	Between Groups	20.611	1	20.611	40.101	.037
	Within Groups	101.769	198	.514		
	Total	122.380	199			
Though I like to buy green products but I cannot afford them.	Between Groups	12.407	1	12.407	17.990	.043
	Within Groups	136.548	198	.690		
	Total	148.955	199			

From the above Anova Test the Sign value = 0.029, 0.047, 0,037 & 0.043 which is less than 0.05, Thus, the null hypothesis H₀ is rejected at 5% level of significance and hence the alternate hypothesis is accepted. The alternate hypothesis is

H₁₁: - There is a direct relation between green product awareness and user satisfaction level

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Price is the major concern for me to go for green products.	Between Groups	121.165	3	40.388	113.111	.031
	Within Groups	4.390	196	.022		
	Total	125.555	199			
Quality is one of the most important factors what influences me for purchase of green products?	Between Groups	73.341	3	24.447	115.587	.043
	Within Groups	41.454	196	.212		
	Total	114.795	199			
I feel I can protect the environment by buying the environment friendly products.	Between Groups	71.797	3	23.932	117.910	.047
	Within Groups	39.783	196	.203		
	Total	111.580	199			

From the above Anova Test the Sign value = 0.031, 0.043, & 0.047 which is less than 0.05, Thus, the null hypothesis H₀ is rejected at 5% level of significance and hence the alternate hypothesis is accepted. The alternate hypothesis is

H₁₂: - There is a direct relation between Green products being Status symbol and consumption pattern of the same

5. FINDINGS

Consumer's Values/Beliefs, Attitudes towards Environmentally Friendly Products: No one strongly disagreed that green products were need of the hour. The buyers being educated and

tech-savvy were relatively better informed about green products. They actually felt that by buying green products they can make a positive impact on overall environment. Green products are still very nascent concept and hence customers are still quite unsure of how to utilize them in best possible manner. Many a times customers are not very sure to were to look for green products specifically. Products given greater exposure will be more likely to sell in greater numbers. Pro-environmental values are more likely to result in more pro-environmental behavior when values and beliefs are specific enough, the green action aligns with consumers' subjective interests, and product attributes are positively perceived. The perception of buyer it being in coordination with saving the environment is also seen as added boost.

It was found that customers were willing to pay slightly more if they feel that it can act as a status symbol. If the companies establish themselves as creditable source of green products, they can have a very young and dynamic customer base who actually feels that they can make a difference by using green products.

Business Implications

The research has clearly suggested that with the new scenario people are now a days more inclined towards buying green products as another way of showing differentiation. The changes in trend of buying green products can be attributed to awareness level and change consumption pattern. Though it was very much visible that consumers would like to have much wider range in terms of options so that they can buy it comparing across different brands and products.

The business houses can take the clue and use it as an opportunity to grow in the market and tap the potential to use it as a great business opportunity.

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