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GREEN MARKETING AND THE FACTORS INFLUENCING GREEN **BUYING INTENTIONS**

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ABSTRACT

Tith the growing concern for environment, consumers all across the world are looking out for green / environment friendly products. This paper deals with Green Marketing and the factors influencing green buying intentions. To understand the impact, this paper takes into account the different factors influencing the consumer behaviour with the help of Theory of Reasoned Action by Fishbein and Ajzen. These different factors like environmental attitude, environmental concern, social influence, self-image and man-nature orientation ultimately influence the consumers' green buying intentions.

KEY WORDS: Green Marketing, Marketing, Sustainable Marketing, Consumer Behaviour, Green Buying Behaviour, Consumer Buying Intention

1.0 INTRODUCTION

The concern for the environment has been growing, all across the world. Now companies are taking steps to come up with green products and processes. Consumers are also inclined towards greener products. The governments are coming out with certain regulations to make the world green. In this scenario, the buying intentions of the consumers are also impacted through various factors. These factors include attitude and concern towards environment, social influence, self-image and man-nature orientation.

1.1 GREEN MARKETING

In the last few years, the term Green Marketing has become very popular. According to the American Marketing Association (AMA), "Green marketing is the marketing of products that are presumed to be environmentally safe." Green Marketing is also known as Environmental Marketing. It means marketing of products, which has little or no impact on the environment. (Pride and Ferrel, 2008; Grant, 2008)

1.2 GREEN CONSUMER

Business Directory has defined Green Consumer as the one, "who is mindful of environment related issues and obligations, and is supportive of environmental causes to the extent of switching allegiance from one product or supplier to another even if it entails higher cost."

In the last fifteen years, the demand for environment friendly products has risen sharply. This kind of demand has created a new kind of demographic in the society, which is known as Lifestyles of Health and Sustainability (LOHAS). LOHAS has become a market segment of its own, with consumers looking out for sustainable living. This kind of demographic generally lies in the upper well educated class of the society. In USA, LOHAS market is estimated at US\$ 290 billion. According to a study by the Natural Marketing Institute, in 2007, 13% of the Americans i.e. 41 million were included within the LOHAS demographic. In Japan roughly 12% of the population i.e. 17 million adults or are LOHAS consumers. Green consumer has also been defined in terms of the consumer behaviour called green consumerism. Green consumerism refers to recycling, purchasing and using environment friendly products that have minimal damage to the environment (Roberts, 1996). It may include appliances which consume less electricity, electric and hybrid cars which is environment friendly, wind power generation and so on. Ottman (1992) has defined Green Consumerism as "an attempt by individuals to protect themselves and the planet by buying only green products on the shelves."

1.3 GREEN BUYING BEHAVIOUR

Green buying behaviour have been defined by Mostafa (2007) as "the consumption of products which are: beneficial to the environment; are recyclable or conservable; are sensitive or responsive to ecological concerns." For a marketer, green buying behaviour is very important, as it helps them cater to the opportunities it presents in the market. To understand the green buying behaviour of the consumers, the Theory of Reasoned Action (Fishbein and Ajzen, 1975, 1980) can be the foundation.

1.4 THEORY OF REASONED ACTION

"Attitudes could explain human actions" – This statement by Ajzen and Fishbein (1980) says a lot about the human behaviour. This Theory of Reasoned Action was promulgated by Ajzen and Fishbein in 1975 and later on, got modified in 1980. The basis of the theory is that individual's take decisions rationally, based on the information available to them. "People consider the implications of their actions before they decide to engage or not engage in a given behaviour" (Ajzen and Fishbein, 1980). Thus the framework takes into consideration the behavioral intentions, as the main predictors of behaviour.

1.5FACTORS INFLUENCING GREEN BUYING BEHAVIOUR

On the basis of the Theory of Reasoned Action, this paper considers green buying intention as the dependent variable, while environmental attitude, environmental concern, social influence, self-image and man-nature orientation are considered to be an independent variable. Green Buying intention means to selectively purchase goods, which has got less environmental impact (MOE, 2007). Environmental concern means the willingness and the extent of actual behaviour on environmental issues (Maloney and Ward, 1973). Social Influence is about the change in own behaviour, based on the observation of others attitudes and actions. (Skouteris et.al., 2005). Self Image is about the perception of self, as a certain kind of person (Schiffman & Kanuk, 1997). Man Nature orientation is the relationship between the human beings and the nature (Chan, 2000).

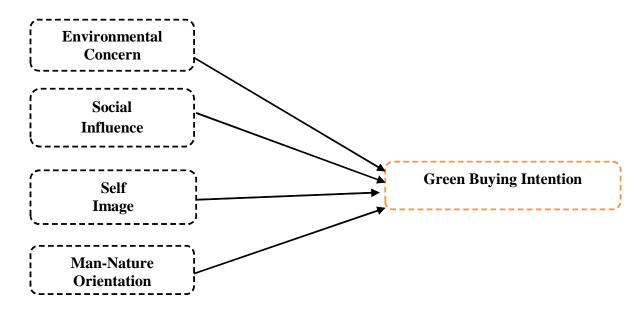


Figure 1: factors influencing green buying intention

1.5.1 Environmental Concern:-

Environmental concern is the willingness and the extent of actual behaviour on environmental issues. Sometimes, it is also called 'Ecological Concern' which refers to the degree of emotionality, the amount of specific factual knowledge and the level of willingness as well as the extent of actual behaviour on pollution-environmental issues (Maloney and Ward, 1973).

Environmental concern is one of the key aspects in motivating the consumers to purchase environment friendly products. It also helps them to form positive environmental attitudes. Thus it can be derived that the environmental concern has a positive impact on the consumer.

1.5.2 Social Influence:-

Social influence plays an important role in influencing the consumers' purchase decisions. Social Influence is about the change in own behaviour, based on the observation of others attitudes and actions. (Skouteris *et.al.*, 2005). It has been found that an individual is generally influenced by the behaviour of others (Bearden et al. 1989). It is due to this fact that celebrity endorsers are used to market a product or a service.

In this respect, social media is also playing an important role here, in influencing the purchase decisions of the consumers. That's why a lot of companies are using social media sites like Facebook, Twitter etc. to reach out to the consumers.

1.5.3 Self-Image:-

In influencing the consumer's buying intentions, self image also plays a big role. Consumers tend to buy the products and services, which they think, will suit their personal image. Consumers frequently try to preserve, enhance, alter or extend their self-images by buying products or services and shopping at stores believed to be consistent with the relevant self-image and by avoiding products and stores that are not (Schiffman & Kanuk, 1997).

Some time back, some researchers found that self-image dimension can be useful in studying motivations to become pro-environmentally (e.g. Mannetti *et. al.*, 2004; Stets & Biga, 2003). If a consumer wants to project that he / she is concerned about the environment; they will also try to project it through their purchase behaviour. In turn, others will perceive their pro environmental behaviour through their purchases that is non verbal communication about the self.

1.5.4 Man-Nature Orientation:-

Man Nature orientation is the relationship between the human beings and the nature (Chan, 2000).

This relationship plays a significant role in environment friendly purchase behaviour. It is very important for a marketer to understand the relationship, to help them motivate towards their green purchase behaviour.

1.6 CONCLUSION

To understand the green buying behaviour, the four factors discussed above - environmental attitude and concern, social influence, self-image and man-nature orientation needs to be understood. As the consumers are becoming more concerned about the environment, they are certainly going to adapt their buying pattern in favour of environment friendly products.

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