



## **A STUDY ON CUSTOMER BUYING BEHAVIOUR OF GREEN PRODUCTS**

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### **ABSTRACT**

*Increased awareness of global warming induces the people to switch on green product. Which helps to protect the environment and get healthier. The use of green product enables to sustain the development. On a global level, there is an increased awareness of global warming and adverse climate green product is more suitable. This research paper focuses the buying behaviour of consumers towards green product. And evaluate the influential factors to choose the green product. Both primary and secondary data is used for this study. chai-square method, regression method are used for this study to analyse the data. A consumer's purchase behaviour depends on the consumer's level of satisfaction towards the product. Purchasing behaviour and customer satisfaction is mostly influenced by the attributes of the green products.*

**KEYWORDS:** *Green Products, Eco-Friendly, Environment, Customers, Buying Behaviour*

### **INTRODUCTION**

Green behaviour is the choice made by the consumers whether to buy an eco- friendly product or not. Consumers concern towards a safe environment has been frequently increasing. Nowadays the market contains wide variety of products that are environmentally safe. The purchase behaviour of the consumers depends on the beliefs and the consciousness of the consumer towards environmental concerns. If a consumer opts for a green product it not only has personal benefits for the consumer but also many long- term environmental benefits. The decision to purchase these products depends on the behaviour which the consumer might adopt towards these products.

Green lifestyle has become common in developed countries than in developing countries. Many firms have started green marketing and strategies for the development of green products to save the environment and to gain long term profits.

Nowadays, we have lot of green products in the market e.g. CFL bulbs, Electric home appliances, jute bags, rechargeable batteries, solar chargers.

Over the last decade, consumer consumption of goods and services has increased tremendously across the world, leading to depletion of natural resources and severe damage to the environment (Chen & Chai, 2010). Some of the serious repercussions of environmental damage are global warming, increased environmental pollution, and decline in flora and fauna (Chen & Chai, 2010). Various countries across the globe are beginning to realize this threat and have started working towards minimizing the harmful impact of their business activities on the environment.

Green marketing is the marketing of products that are presumed to be environmentally safe. It incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying

advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are environmental marketing and ecological marketing.

Green, environmental and eco-marketing are part of the new marketing approaches which do not just refocus, adjust or enhance existing marketing thinking and practice, but seek to challenge those approaches and provide a substantially different perspective. In more detail green, environmental and eco-marketing belong to the group of approaches which seek to address the lack of fit between marketing as it is currently practiced and the ecological and social realities of the wider marketing environment.

### Scope of the study:

Need of the Study Day by day diseases are increasing. It is because of the change in lifestyle. We have to maintain a good health care by practicing a better timetable in the life style. The main goal of green products is prevention as well as promotion of the body's own capacity for maintenance and balance. Green product helps to promote health, increase immunity and resistance – and to cure disease. Green products are very safe for health and providing less side effects compared to allopathic medicines. So now a day's peoples are going to purchase the green healthcare products.

### REVIEW OF LITERATURE

Grunert (1995) Environmentally responsible purchasing is vital as unplanned purchasing of goods can severely damage the environment. This study reported that consumer household purchases were responsible for 40% of the environmental damage. Consumers possess the capability to prevent or decrease environmental damage by purchasing green products.

Ramayah, Lee, and Mohamad (2010) Green purchasing is most often measured as green purchase intention and behaviour. Green purchase intention refers to consumers' willingness to purchase green products. Intentions capture the motivational factors that influence green purchase behaviour of consumers.

Moisander (2007) Green purchase behaviour represents a complex form of ethical decision-making behaviour and is considered a type of socially responsible behaviour. As a socially responsible consumer, the green consumer "takes into account the public consequences of his or her private consumption and attempts to use his or her purchasing power to bring about social change".

Hughner (2007) found that while many consumers showed a positive attitude towards

purchases of organic food products (67%), only a small number of consumers (4%) actually purchased those products. This study found that 30% of the consumers in UK have reported their concern towards the environment, but rarely translated their concern into a green purchase. It is thus clear that there exists a gap between consumers' thinking and actual actions. This discrepancy or gap between consumers' favourable attitude towards, and actual purchase behaviour of green products is referred to as 'green purchasing inconsistency' or 'green attitude-behaviour gap'. It signifies that consumer positive attitude towards green products does not always translate into action. It is essential to examine why environmental attitudes have a weaker influence on consumer green purchase behaviour; there might be possible factors such as price and availability of the product, and social influences among others that lead to the discrepancy between consumer attitude and purchase behaviour. Once these factors are determined through proper research, steps can be taken to address these issues and encourage consumers to actually purchase green products.

### OBJECTIVES OF THE STUDY

1. To find out the influential factors to buy green products.
2. To study the level of satisfaction of the respondents towards Green products.

### RESEARCH METHODOLOGY

Both primary and secondary data are used for the study. The primary data are collected from the respondents using a questionnaire. Here the respondents are 50 customers. Secondary data are collected from various sources including books, journals, articles, websites etc. The collected data are analysed using various statistical tools. The tables are used to represent the data. Henry Garret Ranking method and chai square method is used for this study.

### DATA ANALYSIS AND INTERPRETATION

**Objective 1:** To find out the influential factors to buy green products.

Henry Garrett's ranking method Garrett's Ranking Technique - Major influencing factor. To find out the most significant factor which influences the respondent, garret ranking technique was used. As per this method, respondents have been asked to assign the rank for all factors and the outcome of such ranking has been converted into score value with the help of the following formula:

Percentage position =  $100(R_{jj}-0.5) / N_j$

No.	Influential Factors	Garret Score	Percentage	Rank
1	Eco- friendly	3104	62.08	4
2	Advertisement	2788	55.76	7
3	Brand image of the product	2220	44.44	9
4	Quality	3728	74.56	2
5	Easy availability	2641	52.82	8
6	Long usage of the product	1972	39.44	12
7	Health conscious	2068	41.36	10
8	Recommended by family or friends	1425	28.5	14
9	No side effects	2949	58.98	5
10	No chemical ingredients	4106	82.12	1
11	Attractive packaging	2850	57	6
12	Reusable	3420	68.4	3
13	Celebrity endorsement	1404	28.08	15
14	Economic aspect	1693	33.86	13
15	Convenience	2018	40.36	11

The above table shows that, no chemical ingredients has been ranked first influencing factor with the score of 4106 followed by quality ranking second, with the score of 3728. Reusable has been ranked as third influencing factor, with the score of 3420. Eco friendly and no side effect are the fourth and fifth ranked factors. With the score of 3104, 2949. Attractive packaging factor has been sixth rank with the score of 2850. Celebrity endorsement is not an effecting factor of consumer buying decision. This technique has been used to find the majority of the customer by order of their preference and presented in the above table.

**Objective 2:** To study the level of satisfaction of the respondents towards Green products.

**Chi-square test:**

In order to apply the chi-square test either as a test of goodness of fit or as a test to

judge the significance of association between attributes, it is necessary that the observed as well as expected frequencies must be grouped in the same way and the theoretical distribution must be adjusted to give the same total frequency as we find in case of observed distribution.

$$\text{Chi-Square} = \frac{E(O-E)^2}{E}$$

Where O = observed value.

E = expected value.

H<sub>01</sub>: There is no significant difference between gender and the level of satisfaction towards green product

H<sub>02</sub>: There is no significant difference between age and the level of satisfaction towards green product

H<sub>03</sub>: There is no significant difference between income and the level of satisfaction towards green product

Elements	Factors	Computed value	Table value	Degree of freedom	Significant level
Gender	Chemical free	.992	11.1	5	5%
	Eco friendly	.856	11.1		
	Price	.643	11.1		
	Quality	.482	11.1		
	Reusability	.992	11.1		
	Availability	.535	11.1		
Age	Chemical free	.999	31.4	20	5%
	Eco friendly	.999	31.4		
	Price	.999	31.4		
	Quality	.991	31.4		
	Reusability	.990	31.4		
	Availability	.809	31.4		
Income	Chemical free	.998	25.0	15	5%
	Eco friendly	.961	25.0		
	Price	.803	25.0		
	Quality	.058	25.0		
	Reusability	.841	25.0		
	Availability	.997	25.0		

The computed value of gender, age and income relate to the satisfaction is less than the table value at 5% significant level so that we can accept the all null hypothesis. The result shows that there is no significant relation between gender, age, income and the level of satisfaction towards green product.

### **FINDINGS**

Most of the customers are prefer the green products for the reason of no chemical ingredients and quality of the products. Customers are maximum satisfied with the green products. There is no relation between gender, age and income with the satisfaction towards green products. Most of the respondents are health conscious. They believe that there will be no side effect by using green products.

### **CONCLUSION**

The research was based on the customer buying behaviour and their level of satisfaction towards green products. In this research, it is found that respondents prefer a specific brand because of the chemical free product and quality of the products. Also, it is found that respondents with different age groups have different perceptions, like customers between age group 36-45 years are most interested with buying green products. At the same time there is no relation between gender, age and income relate

with the satisfaction towards green product. They can save money by reusable feature of green products.

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