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Pro-Environmental Concern and Green Marketing

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Abstract

The growing concern about preserving the natural environment has induced the marketers to develop a new marketing concept called green marketing. Green marketing is the process of developing products and services and promoting them to satisfy the consumers who prefer products of good quality, performance and convenience at affordable cost, which at the same time do not have a detrimental impact on the environment. The present study took place in Kanniyakumari district of Tamil Nadu. The paper aims at finding the factors that prevent the marketing of green products and to understand the strategies needed to successful green marketing. Availability of green products at a reasonable price and customers' awareness regarding environmental impact are essential for improving the sale of green products. The manufacturers, marketers, consumers, society, Government and media are collectively responsible for the sustainability of green environment and promotion of green products. Keywords: Green marketing, Promotion of Green Product, Industrial Ecology, Environmental Sustainability, Green Marketing Myopia.

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1. Introduction

Environmentalism is an ideology and social movement regarding concern for environmental protection. Consumer concern is raising with regards to the protection of the environment and the demand for the green products. Hence, most firms have begun to use the green product development strategies. The growing concern about preserving the natural environment has induced the marketers to develop a new marketing concept called green marketing. Green marketing is the process of developing products and services and promoting them to satisfy the consumers who prefer products of good quality, performance and convenience at affordable cost, which at the same time do not have a detrimental impact on the environment. It includes a broad range of activities like product modification, changing the production process, change in packaging, modified advertising aimed at reducing the detrimental impact of products and their consumption and disposal which will protect the environment. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources effectively and efficiently without waste as well as to achieve the organization's objective.

Green Marketing

According to the American Marketing Association, "Green Marketing is the marketing of products that are presumed to be environmentally safe, involves developing and promoting products and services that satisfy customers' wants and needs for Quality, Performance, Affordable Pricing and Convenience without having a detrimental impact on the environment". Green marketing also ties closely with issues of industrial ecology and environmental sustainability such as extended producers liability, life-cycle analysis, material use and resource flows, and efficiency.

The "Green Marketing" is holistic marketing concept incorporates a broad range of activities, where in the production, marketing, consumption and disposal of products and services happen in a manner that is less detrimental to the environment. Yasmin Begum R. Naaf et al. (2014)

2. REVIEW OF LITERATURE

Syeda(2011) observed that all the modern business firms as they have to follow environmental laws and also the consumers these days are getting aware and conscious about that green practices adopted by firms. Marketers must find an opportunity to enhance product's performance and strengthen customer's loyalty and command a higher price.

Peter(2011) pointed out that green products that guarantee that are processed, manufactured and produced in an environmentally friendly way that minimizes a negative or damaging impact on the environment.

Das et al. (2012) put on view that Green Marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. If marketers think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, then they should think again. Marketers must find an opportunity to enhance their products. Although, Green Marketing Myopia is another challenge before the marketers, it is the fundamental responsibility of the marketers to innovate and adopt new marketing strategies those would safeguard our eco system as well as satisfy the consumers.

Jyothsna (2012) observed that from the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product.



Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones.

Naga Jothi (2017) put forward that the business point of view because a clever marketer has one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in safe and environmentally harmless manner should become much more systematized and universal.

3. STATEMENT OF THE PROBLEM

As society becomes more concerned with the natural environment, businesses have begun to modify their behavior in an attempt to address society's "new" concerns. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Both marketers and consumers are becoming increasingly sensitive to the need for switch into green products and services. Companies all over the world are striving to reduce the impact of products and services on the environment. Business organizations have also responding to environmental challenges by adopting and practicing green marketing strategies. It is ultimately the user who needs attitudinal change for the sustainability of green marketing practices. Green marketing has emerged for growing market for socially responsible and sustainable products and services. This proposed research aspires to explore the green marketing in Kanyakumari District.

4. OBJECTIVES OF THE STUDY

The present study has been carried on with the following objectives

- 1. To study the profile of the green marketers in Kanyakumari District
- 2. To analyse the problems in marketing of green products.
- 3. To understand the strategy needed for the protection of the environment and green marketing.

5. SCOPE OF THE STUDY

The scope of the present study is limited to Kanniyakumari district in Tamil Nadu, India. It is predominantly an agricultural region with vast natural resources and variety of geological features. Very few studies have made in the district towards green products. The study strives to provide the green marketers an impetus, in order to target the right people and frame the marketing strategies accordingly.

6. METHODOLOGY ADOPTED

6.1 Source of Data

The study is based on both primary data and secondary data. Primary data have been collected by using a well designed interview schedule from 140 respondents who were selected by following Judgment sampling method. Secondary data sources include information from journals and websites.



6.2 Tools for Analysis

Statistical tools such as percentage mean score ranking and factor analysis are applied in the present study.

6.3 Limitations of the study

- 1. Prejudice for the respondents might have caused errors.
- 2. This study is limited to Kanniyakumari district in Tamil Nadu. Hence the findings cannot be generalized.

6.4 Profile of the Respondents

The parameters such as gender, age, education, monthly income, capital, experience and nature of the business are considered in the present study to understand the profile of the respondents and are exhibited in Table 1.

Table 1: Profile of the Respondents

| Profile Variables | Particulars | No. of Respondents | Percentage |
|--------------------|--------------------|-----------------------|------------|
| | Male | 115 | 82.14 |
| Gender | Female | 25 | 17.86 |
| | Total | 140 | 100 |
| | 20 to 35 | 66 | 47.14 |
| | 36 to 50 | 49 | 35.00 |
| Age(in years) | 51 to 65 | 19 | 13.57 |
| | Above 65 | 6 | 4.29 |
| | Total | 140 | 100 |
| | School Level | 11 | 7.86 |
| Educational Status | College Level | 97 | 69.29 |
| Educational Status | Professional | 32 | 22.85 |
| | Total | 140 | 100 |
| | Below 25000 | 60 | 42.86 |
| | 25001 to 50000 | 49 | 35.00 |
| Monthly Income | 50001 to 75000 | 24 | 17.14 |
| | Above 75000 | 7 | 5 |
| | Total | 140 | 100 |
| | Below 100000 | 25 | 17.86 |
| | 100001 to 300000 | 29 | 20.71 |
| Capital | 300001 to 500000 | 68 | 48.57 |
| | Above 500000 | 18 | 12.86 |
| | Total | 140 | 100 |
| | Up to 3 years | 54 | 38.57 |
| Experience | 4 to 6 years | 39 | 27.86 |
| | Above 6 years | 47 | 33.57 |
| | Total | 140 | 100 |
| | Offline | 123 | 87.86 |
| Nature of Business | Online and offline | 17 | 12.14 |
| | Total | 140 | 100 |

Source: Primary Data



It is found from the Table 1 that 82.14 per cent of the respondents were male, 47.14 per cent of the respondents belonged to the age group of 20 to 35, 69.29 per cent of the respondents have undergone college education. 42.86 per cent of the respondents belong to the monthly income range of below 25000. 48.57 per cent of the respondents contributed their capital range from 300001 to 500000. 38.57 per cent of the respondents had 1 to 3 years of experience. 100 per cent of the respondents are doing business directly. But out of them 12.14 per cent of the respondents are doing their business in online too. Thus, it is inferred that most of the marketers are male and highly educated but having limited investment and experience in marketing of green products.

7. PROBLEMS IN MARKETING OF GREEN PRODUCTS

Green marketers face problems in procuring as well as in marketing the green products. The present study deals with both the problems.

7.1 Problems faced by the Marketer while Procuring Green Products

The green marketers facing difficulties while procuring the green products from its manufacturers. The challenges faced by the marketers are analysed through Mean Score Ranking. Mean score are calculated and ranks are given according to average. Table 2 shows the difficulties faced by the marketer while procuring green products from its manufacturers.

Table 2: Difficulties faced by the Marketer while Procuring Green Products

| Sl. No. | Problems | Mean | Rank |
|---------|----------------------------|------|------|
| 1 | Higher Cost | 4.22 | III |
| 2 | Irregular Supply | 3.91 | VI |
| 3 | Lack of Advertisement | 3.94 | V |
| 4 | Limited production | 4.26 | II |
| 5 | Low demand | 3.13 | VII |
| 6 | Transportation Cost | 4.40 | I |
| 7 | Lack of Government Support | 4.18 | IV |

Source: Calculation based on Primary Data

Table 2 shows that higher transportation cost have a high mean score of 4.40, thus given the first rank. Second rank was given to limited number of manufacturers for green products with the mean score of 4.26. Higher cost, Lack of government support and lack of advertisement since the respective mean score were 4.22, 4.18 and 3.94, thus given third, fourth and fifth rank respectively. The fifth and sixth ranks were given to irregular supply and low demand with mean score of 3.91 and 3.13. Thus, the most important problems for procuring green products from its manufacturers are transportation cost, limited production and higher cost.

7.2 Problems in the Sale of Green Products

It is very important to find the reasons that prevent the sale of green products. Ten variables are taken into consideration for the study.

Bartlett's Test of sphericity value 848.001 and the significance level (p<.01) indicates that the correlation matrix is not an identity matrix and there exits correlation between the variables. Higher value of Kaiser-Meyer-Olkin (KMO) test of sampling adequacy at 0.742 indicates that factor analysis, for the selected variables was found to be appropriate to the data.



Factor analysis was applied to find out the dominant factors that may used to increase the sale of green products by the respondents. The inter-correlations between the ten variables were analyzed using Principal Component Analysis (PCA) and the Varimax Rotation of factor analysis. The results of Rotated Component Matrix of Ten variables of products along with the communalities are exhibited in Table 3. The values of the variables included in the factors are given in bold.

Table 3: Rotated Component Matrix

| Variables | | Communality | | |
|---------------------------------|------|-------------|------|-------------|
| variables | 1 | 2 | 3 | Communality |
| Lack of environmental knowledge | .896 | .018 | .227 | .855 |
| Buying Behaviour | .866 | .061 | .202 | .794 |
| Competition from common product | .832 | 091 | .009 | .700 |
| Lack of Promotional activity | .684 | .457 | .056 | .680 |
| Awareness | 004 | .753 | .106 | .578 |
| Availability | 019 | .709 | .260 | .570 |
| Quality | 154 | .604 | .344 | .507 |
| Expensive | .117 | .026 | .796 | .647 |
| Reliability | .234 | .144 | .789 | .698 |
| Limited variety | .123 | .062 | .688 | .599 |

Extraction Method: Principal Component Analysis Rotation Method: Varimax with Kaiser Normalisation

Source: Calculation based on Primary Data

Table 3 exhibits the rotated factor loading for ten variables and their respective communality. It is observed that all 10 variables have been extracted and were considered to be the purchase decision of green products. The ten variables were reduced to three factors.

The marketer in the study area evinced the factor such as personal factor, availability factor and Product factor as preventing factor for the sale of green products.

7.3 Factors that Prevent the Sale of Green Products

Factor analysis of 10 variables relating to eco-friendly products identified three factors that prevent the sale of green products. These factors along with the Eigen value, Percentage of variance and cumulative percentage of variance are presented in Table 4.

Table 4: Factors that Prevent the Sale of Green Products

| S1. No | Influential factors | Eigen Value | Percentage of variance | Cumulative Percentage of variance |
|-----------|---------------------------------|-------------|------------------------|---|
| 1 | Lack of environmental knowledge | 3.223 | 35.807 | 35.807 |
| 2 | Availability | 1.538 | 17.087 | 52.894 |
| 3 | Product | 1.269 | 14.095 | 66.989 |

Source: Compiled Data

It has been observed from the Table 4 that the three factors such as lack of environmental knowledge, availability and product were extracted. These factors accounted for about 66.989 per cent of variance in the data.



Eigen value for the first factor, 'Buying lack of environmental knowledge', was 3.223 and percentage of variance was 35.807. This is the foremost important factor to reduce the sale of green products. Significant items under this factor were lack of environmental knowledge, buying behaviour, competition from common product and lack of promotional activity. Eigen value for the Second factor, 'Availability' was 1.538 and percentage of variance was17.087. This is the vital factor to decrease the sale of products and included the variables such as awareness, availability and quality. Eigen value for the third factor, product was 1.269 and percentage of variance was 14.095. Variables included in personal factor are price, reliability and limited variety. Thus, it is inferred from the factor analysis that lack of environmental knowledge, availability and product are the factors that reduce the demand for green products.

8. MEASURES TO IMPROVE GREEN MARKETING

The consumers' concerns about the environmental protection have led to the diversification in consumer buying approach towards a green lifestyle. Therefore, the enterprises are taking action to develop potential ecological approaches in the green market industry. Green product development and green marketing are useful techniques to increase the competitive advantages and help to get the satisfaction of consumers in order to achieve the firm's goal. Fifteen variables were taken into consideration for the study.

Bartlett's Test of sphericity value 1737.744 and the significance level (p<.01) indicates that the correlation matrix is not an identity matrix and there exits correlation between the variables. Higher value of Kaiser-Meyer-Olkin (KMO) test of sampling adequacy at 0.741 indicates that factor analysis, for the selected variables was found to be appropriate to the data.

Factor analysis was applied to find out the dominant factors that may used to increase the sale of green products by the respondents. The inter-correlations between the fifteen variables were analyzed using Principal Component Analysis (PCA) and the Varimax Rotation of factor analysis. The results of Rotated Component Matrix of fifteen variables of products along with the communalities are exhibited in Table 5. The factors with which the attributes are identified are given in bold.

Table 5: Rotated Component Matrix

| Variables | Component | | | | Communality |
|---|-----------|------|------|------|-------------|
| variables | 1 | 2 | 3 | 4 | Communality |
| Be Responsible and reliable | .779 | 170 | .217 | 108 | .695 |
| Demonstrate the Product/Services' value | .759 | .306 | 146 | .110 | .703 |
| Ready Availability | .741 | 055 | .251 | 124 | .630 |
| Awareness program for green products | .722 | 078 | .382 | 135 | .692 |
| Set up production centers | .704 | .171 | 259 | .381 | .737 |
| Control Inventory | .654 | 198 | .133 | 021 | .484 |
| Decrease the Price | 218 | .637 | .396 | 099 | .620 |
| Improve Quality | 351 | .629 | .303 | .082 | .618 |
| Incentives for Sales team | .560 | .580 | 271 | 107 | .734 |



| Creating awareness of environmental impact | .495 | 324 | .721 | .036 | .681 |
|--|------|-------------|------|------|------|
| Build Relationship with customers | .600 | 240 | .667 | 010 | .636 |
| Diversify the product range | .593 | .130 | .659 | .177 | .610 |
| Run Customers' reward program | 114 | 228 | .168 | .743 | .645 |
| Provide after Sale Service | .270 | .632 | 282 | .695 | .796 |
| Give Free Samples | 111 | .395 | .208 | .629 | .608 |
| Improve the design | .198 | .348 | .151 | .512 | .352 |

Extraction Method: Principal Component Analysis Rotation Method: Varimax with Kaiser Normalisation

Source: Calculation based on Primary Data

Table exhibits the rotated factor loading for fifteen variables and their respective communality. It is observed that all the fifteen variables have been extracted and were considered to increase the sale of green products. Fifteen variables were reduced to four factors.

The marketers in the study area evinced the factor such as availability, product, customer retention and sales promotion as the factors that improve the sale of green products. The four factors are presented along with their Eigen value, percentage of variance, cumulative percentage of variance.

Table 6: Eigen Value of Factors That Improve the Sale of Green Products

| Sl. No. | Sales Improving Factors | Eigen Value | Percentage of Variance | Cumulative Percentage of variance |
|---------|--|-------------|---------------------------|---|
| 1. | Availability | 4.510 | 30.066 | 30.066 |
| 2. | Product | 2.640 | 17.601 | 47.668 |
| 3. | Creating awareness of environmental impact | 1.286 | 8.573 | 56.241 |
| 4. | Sales Promotion | 1.125 | 7.503 | 63.744 |

Source: Compiled Data

It has been observed from Table 6 that the four factors such as Availability, Product, Creating awareness of environmental impact, Sales Promotion were extracted. These factors accounted about 63.744 per cent of variance in the data.

Eigen value for the first factor, 'Availability' was 4.510 and percentage of variance was 30.066. This factor provides the way how to improve the sales through the retailers. Significant items under the factor were be responsible and reliable, control the inventory, ready availability of products, give more awareness program, set up production centers and demonstrate the product value. These factors have given the idea to implement the sales through retailers.

Eigen value of second factor, 'Product's side' was 2.640 and the percentage of variance was 17.601. On the product side one should take care of these attributes to improve the sales of green products. The factors included in these are run a reward program for customers, decrease the



price of the product, improve the quality of product and give a incentive plan for the sales team of green products.

Eigen value for the third factor, 'Creating awareness of environmental impact' was 1.286 and percentage of variance was 8.573. It is an important factor through which the marketer can retain as many customers as possible. Through which the marketer can reduce the number of customer defections. The factors include creating awareness of environmental impact, build customer relationship and diversify the product range.

Eigen value for the fourth factor, 'Sales Promotion' was 1.125 and percentage of variance was 7.503. To improve the sales of green product the factors also should consider. These factors include provide run customers' reward program, after sales service, improve the design of the product and give out free samples.

Thus, it is inferred from factor analysis that availability of green products at a reasonable price and customers' awareness regarding environmental impact are essential for improving the sale of green products.

9. FINDINGS

The following are the major findings of the study

- Most of the marketers are male, highly educated but having limited investment and less experienced in marketing of green products.
- Most important problems for procuring green products from its manufacturers are transportation cost, limited production and higher cost.
- Lack of environmental knowledge, availability and product are the factors that reduce the demand for green products.
- Availability of green products at a reasonable price and customers' awareness regarding environmental impact are essential for improving the sale of green products.

10. SUGGESTIONS

- In Kanniyakumari district there are only limited numbers of women marketers in green marketing. More number of women should come forward to deal with green products and to protect the environment.
- More awareness campaign can be conducted by the marketers and the government to convince the people to use green products which are essential for protection of the environment.
- Increasing the investment in green marketing is essential for the development of green marketing
- Increase in the number of production centers and quantity of production are essential for the availability of green products in the market.
- Government can provide financial assistance to green marketers and reduce the GST rates for green products.

11. CONCLUSION

Environmental issue has a significant impact on modern society. The environmental problems are partly due to marketing and consumption culture. Green marketing helps in environmental protection. The present study reveals that lack of awareness, availability and high price are the



problems in green marketing. Thus, the manufacturers, consumers, society, Government and media are collectively responsible for the sustainability of green environment and promotion of green products.

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