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Research Article



Consumer Perception Towards Green Products: Implications For Sustainable Marketing Strategies

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ABSTRACT

Growing environmental awareness has prompted consumers, marketers, researchers, and policymakers to adopt various green methods and strategies in addressing environmental challenges. This research paper aims to examine the influence of marketing strategies employed by environmentally conscious companies on consumer purchase decisions, with a specific focus on consumer perceptions of green products. The study primarily targets consumers who have previously purchased green products in order to accomplish this objective. Statistical analysis reveals a significant relation between Product Factors, Marketing Strategies, and Consumers' Green Values. The research data was collected from a sample size of 118 individuals. Building upon existing literature, this study contributes to a deeper understanding of the impact of marketing strategies on consumer behavior, particularly in the context of environmentally friendly products. The research findings reveal that consumers are highly concerned about environmental protection and have a positive attitude towards green products. They prioritize ecological sustainability and show an increasing adoption of environmentally friendly items.

Keywords— Consumer attitudes; Green products; Sustainability; Consumer awareness; Marketing; Green alternatives; Sustainable marketing; Business sustainability

INTRODUCTION

Environmental challenges such as the greenhouse effect, global warming, pollution, and climate change have been directly attributed to industrial production, and their impact on these activities has persisted since the early 1980s, as observed by (Yakup and Seville, 2011). Consequently, numerous organizations have embraced green marketing tactics and the development of environmentally friendly products to address these environmental concerns while simultaneously meeting consumer preferences and fostering long-term profitability. Prior to the adoption of green marketing practices, companies recognized the need to tackle ecological issues and generate sustained customer interest. This research paper aims to analyze consumers' perceptions of green marketing and green product. The American Marketing Association (AMA) has defined this approach as "ecological marketing." Green marketing encompasses more than simply selling environmentally friendly products; it also demonstrates a company's commitment to environmental sustainability by showcasing its operational performance and structure. This includes strategies to transform existing products into more environmentally friendly alternatives through improvements in manufacturing processes, recycling, packaging, and disposal methods.

In recent times, green marketing has become closely related with environmental marketing, as highlighted by (Durif et al., 2010). The development of environmentally friendly products has been instrumental in the implementation of green marketing strategies, facilitating the transition of economies and businesses towards a sustainable environment. (Chen, 1994) emphasizes the importance of adopting "end-of-tube technology" in the development of green products, wherein companies actively consider environmental factors throughout the manufacturing process and product design.

REVIEW OF LITERATURE

Consumer behavior, intricately defined by (Vyas, 2009), involves a myriad of actions guiding individuals through the complex process of identifying needs, gathering information, making purchasing decisions, utilizing products, and responding to stimuli. Within this context, the adoption of green marketing strategies emerges as a strategic choice for organizations, promising long-term cost savings and fostering environmental responsibility (Ottman et al., 2006). The marketing mix, referred as the 4Ps, plays a pivotal role in achieving marketing objectives. (Young et al., 2010) assert that in the realm of green marketing, strategic utilization of the marketing mix is imperative for effectively promoting environmentally friendly products and practices, aligning seamlessly with the overall goals of the company.

The escalating global concern for mitigating negative environmental impacts, consumer behavior has notably transformed. (Arya, 2020) observes the emergence of a distinctive consumer segment known as green consumers, prioritizing environmentally friendly products and sustainable practices. This shift has led to a substantial surge in the demand for organic products and compelled companies to embrace green marketing strategies. It was also found that consumers with low price sensitivity demonstrate a readiness to pay a premium for eco-friendly products, perceiving them as offering higher value and quality (Eze and Ndubisi, 2013). The green product development process, outlined by (Bhat, 1993), involves a comprehensive analysis of a product's environmental impact and the implementation of pollution reduction strategies. Highlighting the importance of providing functional instructions and meaningful information, (Bjørner et al. 2004) highlight the crucial role customers play in the purchase decision-making process. The collective concern about environmental issues has driven active adoption of various green strategies. Statistical analyses in previous studies (Lavanya. K and MadhanKumar 2019), have identified significant relationships between marketing strategy, inputs, consumer green values, and expectations.

Green marketing has gained substantial prominence, driven by the positive views of marketing companies, significantly shaping consumer preferences towards eco-friendly products (Bhatia & Jain, 2013). This acknowledgment of green practices by companies opens avenues for marketers to capitalize on consumers' high awareness and values, fostering innovation in green product promotion and development that aligns with environmental consciousness. Consumer knowledge and perception play a pivotal role in the success of green marketing efforts (Lavuri & D, 2020). Consumers exhibit extensive knowledge about environmental aspects and green products, leading to positive perceptions and an overall increase in environmental consciousness. Marketers are advised to enhance their marketing mix for eco-friendly items, recognizing the role of informed consumers in promoting eco-awareness.

Demographic trends reveal a notable inclination of young generations towards eco-friendly products, reflecting a growing awareness and preference for sustainable choices (Mokha, 2017). The influence of education in shaping these preferences suggests a need for increased awareness campaigns across diverse age groups and educational qualifications. Customers' high level of knowledge about eco marketing tactics and products (Reddy et al., 2023) indicates a broader understanding of environmentally friendly practices. This knowledge base is a valuable asset for marketers aiming to tailor their strategies to meet the informed expectations of environmentally conscious consumers.

Influencing factors on green purchase intention encompass a range of elements, including environmental knowledge, improved product features, company image, and ethical impact (Patel & Chugan, 2015) and (Kong et al., 2014). While green advertising contributes positively, it's crucial to recognize that aspects like green advertising and packaging may not uniformly influence consumer intention to purchase green products. This underscores the need for a nuanced and comprehensive approach to green marketing strategies.

The societal shift towards environmental consciousness (Khan, 2013) and (Cherian & Jacob, 2012) presents a substantial opportunity for businesses. A general trend indicates that people are actively trying to reduce their impact on the environment, creating a receptive environment for businesses aligning their strategies with growing environmental awareness. The transdisciplinary approach recommended in green marketing (Saari et al., 2017) underscores the importance of using actual product features as a starting point. This approach, integrating sustainable supply chain management perspectives, provides a holistic framework for designing effective green marketing strategies that resonate with environmentally conscious consumers.

Recognizing the role of advertising in shaping consumer perceptions, the implementation of green advertising has been identified as a potent means to enhance green awareness (Alamsyah et al., 2020). This emphasizes the significance of thoughtful and impactful communication strategies in fostering an understanding of green initiatives among consumers.

Through the above review of different studies it was reviled that there is limited exploration of challenges organizations face in implementing effective green marketing. The research content explores the impact of marketing strategies on consumer perceptions of green products, emphasizing a significant correlation between product factors, marketing strategies, and consumers' green values. Bridging this gap this research can guide the development of sustainable marketing strategies more effectively.

OBJECTIVES OF THE STUDY

To analyse the perception of consumers towards Environment and Green Products.

To assess the association of green marketing strategies on consumers perceptions of Green Products.

RESEARCH DESIGN

A. Sample Plan

For this research, a convenience sample of 118 participants who used green products was selected.

B. Data Collection

Convenient sampling technique was used for data collection to target consumers who have made green purchases in the past. An online questionnaire survey was done to collect primary data from respondents.

C. Hypotheses

A hypothetical statement was found as the study uses an inductive research approach to find the consumer perceptions of green products.

Ho1: There is no association between Consumer Perception and Marketing Strategies.

HA1: There is an association between Consumer Perception and Marketing Strategies.

Ho2: There is no association between Consumer Perception and Product factors.

HA2: There is an association between Consumer Perception and Product factors.

Ho3: There is no association between Consumer Perception and Consumer Green Values.

HA3: There is an association between Consumer Perception and Consumer Green Values.

ANALYSIS

D. Statistical Description

The overall number of respondents for the survey was 118, as indicated in Table 1, with 56 Males (47.46 %) and 62 Females (52.5%). The majority of respondents, 69.53 % of the overall sample, were between the ages of 21 and 35. As mentioned, a substantial percentage of responders 68 obtained their postgraduate degree (57.6 %).

TABLE 1: DEMOGRAPHICS

Demographic Variable			%
Gender	Male	56	47.46
	Female	62	52.5
Age	Below 21	12	10.2
	21 - 35	82	69.5
	36 - 50	20	16.9
	Above 51	4	3.4
Educational Qualification	HSC And Below	4	3.4
	Graduate	24	20.3
	Post Graduate	68	57.6
	Doctorate	22	18.6
Employment Details	Salaried persons	72	61.0
	Professional	8	6.8
	Businessmen	2	1.7
	Unemployed	8	6.8
	Student	28	23.7

Table 2 reveals that a majority of respondents perceive environmental degradation to get worse in the next five years. Additionally, 64.41% reported using various green products, while 89.83% expressed willingness to purchase green products within specific categories. These findings suggest that the research participants, who are current consumers, have a strong awareness of green products and green marketing strategies.

TABLE 2: RESPONDENTS PERCEPTION REGARDING ENVIRONMENT AND GREEN PRODUCT

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Statement	Response		
	Yes	No	Not Sure
Has environmental degradation increased in recent years?	96	16	6
Do you anticipate further environmental degradation in the next 5 years?	84	12	22
Do you have a clear understanding of the concepts of Green Marketing?	112	0	6
Do you use any form of green products?	76	26	16
If a green product is available in the store, would you consider purchasing it?	106	6	6
Would you be willing to purchase a green product if it is available in the store?	72	18	28
Are customers becoming more conscious about environmental issues?	74	26	18

E. Reliability Test

To evaluate the reliability, Cronbach's alpha has been presented in Table 3 which describes all the resulting alpha values. The overall alpha value was 0.851 which indicates good reliability.

TABLE 3: RELIABILITY TESTS

Item	Cronbach's alpha
I have a good understanding of green products.	.816
I take personal responsibility for environmental issues.	.717
I am concerned about the wastage of resources.	.916
I do not purchase green products as I believe it is the responsibility of businesses and government	.824
to address environmental issues.	
I predominantly purchase green and sustainable products that have been recycled or operate on clean energy.	.814
My concern for the environment significantly influences my purchasing habits.	.817
I am aware of the availability of green products.	.912
The products I use have minimal impact on the environment.	.822
I actively seek information provided on products.	.915
I consider the environmental impact of manufacturing and consumption when making purchasing decisions.	.915
I prioritize green products over non-green products.	.813
I understand that green products often come at a higher price.	.917
The higher price of green products may influence my purchasing behavior.	.918
I strongly believe in the importance of producing eco-friendly products.	.715
All products should be manufactured using sustainable methods.	.916
Green marketing practices should incorporate product branding.	.912
Conventional products should be transformed into environmentally friendly alternatives.	.813
Product packaging should be environmentally friendly.	.916
Promoting awareness among customers should be done using environmentally friendly approaches.	.715
Every aspect of the supply chain should adopt green models for procurement and distribution.	.914

F. Correlation Statistics

The study findings indicate a strong correlation (0.633) between customer perception and purchase decisions, highlighting the influence of customer concerns on their actual buying behavior. This demonstrates a strong link between customer perception and actual purchase behaviour. Additionally, a significant association (0.706) is observed between consumer environmental responsibility and concern for resource wastage, underscoring the link between environmental consciousness and resource conservation.

G. Regression Analysis

The findings presented in Table 4, demonstrate a high degree of correlation with an R value of (0.876). The R-square value of (0.722) indicates that 72.2% of the variation in the dependent variable, Consumer Perception, can be explained by the independent variables: Marketing Strategies, Product Factors, and Consumer Green Values. This is a promising result, suggesting a strong relationship between these variables. The alternative hypothesis is supported by the majority of the responses aligning with the regression line. The F-test (ANOVA) was conducted, yielding a highly significant F value of 15518.654 (p < 0.05). Consequently, the null hypothesis of the study is fail to accepted.

TABLE 4: ANOVA

R	R square	Adjusted R Square	F	Sig.	
0.876	0.722	0.722	15518.654	.000	

The table 5 presents the regression coefficients for three factors: Marketing Strategies, Product Factor, and Consumers' Green Values. These coefficients represent the relationship between each factor and the dependent variable, with each factor's impact standardized through beta values. Results indicates that all three factors—Marketing Strategies, Product Factor, and Consumers' Green Value show statistically significant relations with the dependent variable as indicated by the low p-values (all less than 0.05). Therefore, the regression findings support the acceptance of the alternative hypotheses formulated in this study.

TABLE 5: REGRESSION COEFFICIENTS

Factors	Un standardised Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
Marketing Strategies	.065	.001	.135	60.567	.000
Product Factor	.145	.001	.823	192.894	.000
Consumers Green Values	.022	.001	.89	26.223	.000

TABLE 6: Findings of regression analysis

H _{A1}	There is an association between Consumer Perception and Marketing Strategies.
H _{A2}	There is an association between Consumer Perception and Product factors.
H_{A3}	There is an association between Consumer Perception and Consumer Green Values.

CONCLUSIONS

The research findings reveal that consumers are highly concerned for environmental protection and have a favorable attitude towards green products. They prioritize ecological sustainability and show an increasing adoption of environmentally friendly items. Consumer awareness of green products and the need for genuine environmental commitment from companies has improved through effective marketing strategies. Marketers face the challenge of offering competitive prices while ensuring maximum consumer value. Innovation and environmentally responsible manufacturing techniques are crucial for achieving sustainability. Consumer awareness has grown, indicating a potential shift towards green alternatives. Marketers must align with consumer interests and ensure widespread availability through appropriate distribution channels. These findings have significant implications for producers, especially in the consumer durables category. Effective positioning and marketing communication are essential to maintain a strong presence in the minds of environmentally conscious consumers.

SCOPE FOR FURTHER RESEARCH

Further research should focus on bridging existing research gaps in green development. This includes exploring strategies to overcome challenges related to image building of green products, conducting studies on marketing strategies that enhance green practices for manufacturers and marketers of green products and ecotourism, and investigating the integration of sustainability and green marketing practices on a broader scale. These avenues will contribute to a deeper understanding of green practices and provide valuable insights for sustainable business operations.

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