

A STUDY ON PURCHASE DECISION OF GREEN PRODUCTS AMONG URBAN CONSUMERS IN CUDDALORE DISTRICT

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Abstract

The terms “green” or “sustainable” often refer to products, services or practices that allow for economic development while conserving for future generations. Green product has less of an environmental impact or is less detrimental to human health than the traditional product. This paper deals with green product purchase decision among the consumers in Cuddalore district. It outlines the reasons for buying green products. This paper makes a special note on indicators of green product purchase decision and such indicators are quantified and measured. This paper concludes with some interesting findings along with policy suggestions.

Key words: Green products, green marketing, sustainable environment, global warming, etc.

1. Introduction

The need for green products has been realized to overcome the problem of environmental degradation. Green products are non-toxic in nature, recyclable capacity, durable quality and use of minimum level package. Green products prevent environmental degradation. Green products are eco friendly and they do not pollute the earth. Such products are recyclable and minimization of hazardous waste generation. The importance of green products has been observed that it prevents the level of waste generation. Green product development is a process of environmental innovation. It is a socially responsible behaviour of production of goods and services. The green product development is a significant achievement in reduction of environmental pollution and such products are recyclable, possession of recyclable content, possession of less toxic content and minimum level package. Green products contribute to environmental protection and environmental preservation. The concept of green product is associated with green consumer. The conventional products during their production process release pollutants, utilization of fossil fuels and release of toxic gases. Such negative effects are not observed during the process of production of green products.

2. Review on the subject

Zhaofu Hong, Hao Wang and Yugang Yu (2018) examined the problems associated with pricing green products on the basis of consumers' environmental awareness. The authors analyzed the green products pricing strategy relating to single product pricing strategy, dual product pricing strategy and asymmetric information about the utility of green products.

Yu-Shan Chen, et al. (2016) examined the gap between proactive green innovation and reactive green innovation with reference to a sampling of 146 respondents. The result indicates that proactive green innovations have positive effects on green creativity and green product development. Further, the green creativity plays an important role in the development of green product.

Wilson Kong, et al. (2014) examined the influence of consumers' perception on a green product with a focus on green purchase intention with reference to a sampling 150 respondents. The authors identified a positive relation between green purchase intention and consumers' purchasing behaviour.

Raluca Mihaela Sandu (2014) compared the literature on green marketing products. The author identified the factors on green products nature, consumers' awareness, and green products environmental benefits and factors of promotion, production and marketing of green products.

John F. Wellington, Alfred L. Guiffrida and Stephen A. Lewis (2014) made an intensive analysis of green products with respect to production process, production trends and profitability. The authors identified the release of less quantity of pollutants and emission control strategies in green products production process.

Judy Frels (2013) identified the difference in consumers' perceptions on green products and their attitudes. The author evaluated the environmental benefit associated with green products with reference to environmental effects of green products production along with their willingness to pay.

Sathiswaran Uthamaputharan and Muslim Amin (2013) examined the green marketing strategies and factors influencing customers' purchasing intention in Malaysia. The researchers bring to attention on influence of components of green products in customers' purchase intention.

Fanbin Kong, et al. (2011) hold the view that green products development is a major focus of many modern companies. The green products have been manufactured with the need of modularity technology and this technology promotes the better performance of green products.

Arief Yusuf (2010) made an analysis of green regional domestic products in 30 states in Indonesia in 2002. The author identified the diversification of economic activities and possible ways of diversification of economic activities.

Randy Becker and Ron Shadbegian (2008) made an analysis of characteristics and performance of green industry. The authors identified the difference between environmental products and non environmental products on the basis of cost-benefit analysis. The authors brought to attention on problems and prospects associated with green products.

3. Methods and materials

This study has been conducted in urban areas in Cuddalore district, Tamil Nadu India. In this urban area 150 consumers are selected using stratified random sampling method. The relevant data are collected from the respondents with the help of interview schedule. The indicators on purchase decision and reasons for buying the green products are obtained through qualitative 5 point rating scale method. The collected data are classified and tabulated with the help of computer programming. The data analysis has been carried out with the help of mean, ranking method and analysis of variance.

4. Results and discussions

TABLE 1

Relationship between Age and Respondents' Rating on Green Products Purchase Decisions

Source of Variation	SS	DF	MS	F
Variation due to green products purchasing decision	57.59892	26	2.215343	78.20346
Variation due to age structure	7.100195	3	2.366732	83.5476
Error	2.20958	78	0.028328	
Total	66.9087	107		

The computed F value (78.20) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the purchase decisions on green products is statistically significant. In another point, the computed F value (83.54) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the age groups is statistically significant as per the respondents' rating on purchase decisions on green products.

TABLE 2

Relationship between Education and Respondents' Rating on Green Products Purchase Decisions

Source of Variation	SS	DF	MS	F
Variation due to green products purchasing decision	73.06204	26	2.810078	174.0155
Variation due to educational status	16.96376	4	4.240941	262.6224
Error	1.679437	104	0.016148	
Total	91.70524	134		

The computed F value (174.01) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the purchase decisions on green products is statistically significant. In another point, the computed F value (262.62) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among educational groups is statistically significant as per the rating of the respondents.

TABLE 3
Relationship between Occupation and Respondents' Rating on Green Products Purchase Decisions

Source of Variation	SS	DF	MS	F
Variation due to green products purchasing decision	73.66609	26	2.833311	237.9376
Variation due to occupational status	14.18247	4	3.545617	297.7561
Error	1.23841	104	0.011908	
Total	89.08697	134		

At one point, the computed F value (237.93) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the purchase decisions on green products is statistically significant. In another point, the computed F value (297.75) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among occupational groups is statistically significant as per the rating of the respondents.

TABLE 4
Relationship between Income and Respondents' Rating on Green Products Purchase Decisions

Source of Variation	SS	DF	MS	F
Variation due to green products purchasing decision	88.16156	26	3.390829	166.1179
Variation due to income status	6.024649	5	1.20493	59.02993
Error	2.653584	130	0.020412	
Total	96.8398	161		

At one point, the computed F value (166.11) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the purchase decisions on green products is statistically significant. In another point, the computed F value (59.02) is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the income groups is statistically significant as per the rating of the respondents.

5. Conclusion

The findings revealed that the respondents have high level purchase decisions on green products by citing the indicators that certification identifies the green product, green product purchase due to packaged in recycled materials, confirming eco friendly nature of the green product from the declaration given in the certification mark, green product purchase after reading the environmental safety information from the label, comparison of price of traditional products with green products while buying green products, buying green products in retail shops in local area and easy availability criteria in buying green products.

6. Reference

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