A CONCEPTUAL STUDY ON GREEN PURCHASE INTENTION

Esther Rani B[1]   Dr R Thenmozhi[2]

1. Research Scholar (Full-Time), Department of Management Studies, University of Madras, Chepauk, Chennai – 600 005
2. Professor and Head, Department of Management Studies, University of Madras, Chepauk, Chennai – 600 005

ABSTRACT

The main purpose of this study is to identify the factors that are essential to influence the green purchase intention within the people. In order to keep our earth alive and to help the human to sustain on the earth, green product's success is very essential. Green economy has become the model of new policy that of the digital economy, since they both coexist in the present scenario. For the Sustainable development of the economy, technology plays a vital role for the achievement of long-term balance between natural environment and human development. Green awareness, green perceived trust and environmental responsibility are used to test the green purchase intention of the people. Green marketing satisfies the needs and desires of the customers and also helps the company in maintaining the environmental gain which they could profit from effective green marketing. The study will be beneficial in creating awareness among people about green marketing. Success of the green products are more essential to support the human beings to sustain and to keep the earth alive. Since environment friendly products awareness has a way to many companies and brands which are tries to enter into the green product category. Many barriers are faced by the green products. The main purpose of the study is to explore that the consumers are aware of green marketing and to identify whether green products are fulfilling the needs of the customers. In recent decades, it has been found that there is an increase in the environment friendly products and in its behaviour. By using green products, the good will of the companies fulfil the social responsibilities. Green marketing plays an essential role in fulfilling the customer's needs and desires and also to make the company responsible for the long-term environmental gains which has been earned through the effective green marketing. This study benefits the people by creating awareness about green marketing. Green marketing has been related to the advertisement and promotion of the products which have the environment characteristics. Some terms like Recyclable, Phosphate free, Refillable, environment friendly and Ozone safe are the effects by which the people are related regularly with the green marketing.

Key Words: Green Purchase Intention, Green Brand Trust, Green Awareness and Green Perceived Value.

INTRODUCTION

Though green marketing is discussed widely and acts as an important issue in today's world in spite of lot of effort by the marketer, green purchase intention is still under developing. Since

there is increase in environmental awareness from the year 1970's positive changes are increased within the user's behaviour towards the products which are related to environment. In order to apply green marketing in all business activities of marketing then the companies has to take green marketing initiatives (Ottman, 1992). So as to develop green brand and enhance green knowledge, corporations must support the customers by providing information which are trust worthy so that society would be ready to purchase eco-friendly products which are of dependable information (Peattie, 1992).

This study is more essential for the organizations so as to apply green schemes to maximise the perceive worth of the product and also to reduce the good's perceived risk. Green products are more beneficial to marketers so that these are popular in the marketplace. In order to fulfil buyer's environmental necessities, green promotion has the actions to develop, rate, and promote goods and services.   In the customer market, the market place practices attention in environment problems with concentration (Diamantopoulos et al., 2003). Green promotion plays a significant role in maximizing the company's sale. People trust green products so it creates the intentions within the users. The company enjoys the advantages of using green opportunities, also it maximizes the corporate image which increases the value of the product. Intention also creates the awareness, social responsibilities and trust.

Also society suffers from air pollution, water pollution, noise pollution, health problems and various environmental dangers. In this study dependent variable is green purchase intention and independent variable is green brand awareness, green brand trust and green perceived value. The main objective of the study is to check the influence of independent variable on dependent variable. Green product awareness of the people is an essential factor. Knowledge of something is termed as Awareness. While Product qualities and its benefits are measured by the people in the environment context, it is known as Green Awareness. Recent researches must also check the environmental responsibility and concern of the society.

The objective of this study is to measure the impact of independent variables on dependent variable. Green brand awareness, green brand trust and green brand image has the relationship to Green purchase intention.

Set of actions to maximize the linkage between digital and green economy:

- Strategic opportunities are identified and assessed from economical, technological, social, and government trends.
- Innovation strategies are developed for the betterment of green products, green infrastructure in the place of Internet of things.
- It acts as a national strategy for the achievement of universal access afford for broadband network and services, promotion of digital literacy.

Number of major sustainable development challenges faced in our country.

Economic Challenges:

- Creation of jobs

- Company's productivity and competitiveness has to be increased in all sectors.

- Export and import has been benefitted through globalization.

- Innovation capacities has to be developed.

Social Challenges:

- Equip the people with better education and learning system with proper knowledge and skill they need.

- Health facilities has to be enhanced.

Environmental Challenges:

- Natural resources has to be utilized economically.

- Pollution must be controlled and wastages should be reduced.

LITERATURE REVIEW AND THEORY BUILDING

Green Purchase Intention

Green purchase intention has been defined as an intention to purchase a product or service which are not harmful for the environment and the society. Also it can be defined as desire, willingness and internal wish of the people to purchase environment friendly product. Green purchase intention is defined as the likelihood of the consumers to buy green brand since their efforts are to fulfil their needs (Netemeyer, et.al., 2001 in Fuchs and Diamantopoulus, 2010).

Recently technology has been developing aggressively which pollutes our environment in several forms like air pollution, water pollution and also damages the ozone layer. In order to save our environment since it is in a critical position, people tend to use the products which are less harmful and which does not damage our environment. People who have concern to the environment become a solution to the problem by having the intention to change the consumption pattern (Rehman and Khyzer, 2013).

The public have become more serious about the environmental issues which create more pollution in the society, that are arisen from the manufacturing activities of industrial sector (Chen, 2011). In the last 20 years the consumers have been grouped separately on the basis of green purchase conduct. As per the increase in the environmental consciousness, the consumer conduct has been affected profoundly in the business sector of the green products. For expanding at an amazing rate (Prothero, 1990).

Green Brand Trust

Trust is an expectation of one party and promise or statement of the other party. Ability, integrity and benevolence are the three percepts of Trust. (Rotter, 1978). Green brand trust has been defined as "readiness to dependent on belief or trust, which results from its capability, kindness and reliability of eco-friendliness" (Chen, 2010, p. 192). Consumer behavior is a long-term primary determinant of Consumer Trust. Self-belief of the other party has been termed as the level of trust (Lee, J, 2011). Consumer trust affects the buying intention of the customer because of this reason (Harris, L. C, 2010). Customer intention to buy is the determinant of buyer trust as supported by the previous literature (Schlosser A. E., 2006).

Kang (2012) study finding affirms that green satisfaction has positive effects on green trust. Self-assurance is the level of trust that another party would behave as expected (Hart and Saunders, 1997). Since environmental performance of the product has been overemphasized, nowadays customers have no trust on few companies (Kalafatis and Pollard, 1999). Green trust includes five measurement items: (i) the environmental commitment of the brands will be reliable. (ii) The environmental performance of the brand will be dependable. (iii) Environmental arguments of the brand will be trustworthy. (iv) Environmental concern of the brand meets the expectation. (v) Promises and commitments of the brand leads to the environmental protection.

Green Brand Awareness

Knowledge of something has been termed as Awareness. Green awareness has been termed as the knowledge of the product which has an effect on environment. A product's features and benefits have been evaluated in the context of the environment is called Green brand Awareness.   A person who has more intention to purchase the product, will have more knowledge about the product and about its performance. It has been proved that educated people are more concerned about the environment (Granzin and Olsen, 1991). Green awareness acts as an important factor in green purchase intention (Maha and Ahmad, 2012).

Keller has presented his conceptual model in the year 1993, in that he has proved that brand knowledge and brand awareness of the customers are responsible for the marketing activities.

 A customer with less knowledge and awareness of the green product will have less purchase intention towards green product.

It has been proved that average consumers have less opportunity to form an attitude towards environment friendly products, when compared to general product (Rand Corporation. 2004). In the advertisement campaign, green product manufacturing companies are not making clear green claims. People want to be aware about how the green products are? and what are the advantages of it? Alston and Prince Roberts, (1999). Many researches has been proved that there must be prior green product knowledge and awareness to public to create green purchase intention.
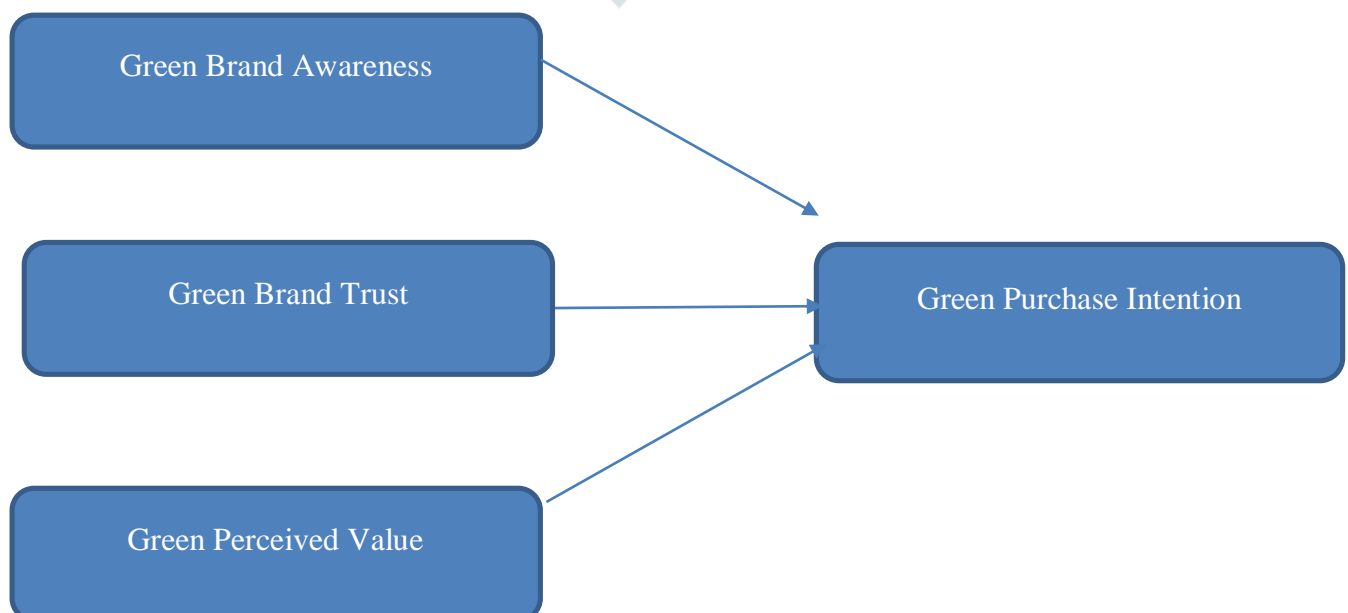
Green brand awareness has been defined as, "environment friendly brand has been recognized by the buyer" (Tseng, 2013, p. 98). Customer's awareness on environmental threats which are caused by the electronic products makes the companies to use eco-friendly attributes while manufacturing their products in order to fulfil the expectations of the consumers as stated by Ng (2013). Green brand image, green brand awareness and green brand trust have a strong positive effect and correlation Ottman (2008). Human behavior has been modified by the environmental issues as found by social cognitive theory (Zarnikau, 2003). Customers buying behavior has been significantly influenced by green product awareness and education (Aman, 2012; Chahal, 2012; Suki et al., 2013).

Green Perceived Value:

It has been described as the general assessment of the customer based on the benefit of the product or service according to the judgement of the customer (Bolton, 2012). Perceived value has a positive effect on the performance of the market as per past researches (Sweeney et al., 1999). In today's world, perceived value has been more significant so that corporation increases the purchase intention of the customer through product value (Steenkamp, 2006). Businesses distinguish the prominent value of the product from that of their competitors (Kim, 2008). Message value has been sent to the customers for distinguishing their product and its benefits from their competitors (Zeithaml, 1988). Perceived value act as the center of the determinant for maintaining long-term relationship of the consumers, also it plays a critical role in buyer intentions (Zhuang, 2010). Consumer trust has been influenced crucially by the perceived value (Kim C, 2008). A product can execute poor social approval, incidents which is of negative sense like dissatisfaction or disagreement could occur (Keller, 2012; Chi, 2013; Zhuang, 2010; Ansar, 2013; Li, 2013; Dumitrescu, 2013; Mahesh, 2013; Szocs, 2012; Ng, 2013).

Theoretical Framework

This study's theoretical framework has been adopted from the previous studies like Chen (2010) and Mourad and Ahmed, (2012).

CONCLUSION

In today's world, technological Innovation helps the companies to enhance new green products with better functioning and with less cost. Now a days environmental issues like air, water and land pollution has become more serious. Environmental pollution is the threat which has been faced by the people in their day to day life. Inspite of this issue consumers are motivated to pay more attention on green products, like organic foods and vehicles which are of new green energy. Green buying behavior has become one of the popular research topic, since green consumption is growing immensely. Willing to pay more for the green products is the attitude which is more significant Laroche et al. (2001).

Governments and non-profit organizations encourages green consumption behavior, since environmental protection has become a more concerned problem in today's world because of the serious pollution which affects our society. Strategies of green economy has to be developed at national level in order to overcome the barriers of jurisdictional and other sources which currently exist in fundamental sector that is essential for green economy's growth like management, energy, resource, internal trade and management.

REFERENCES

Alston, K. and Prince Roberts, J. (1999). "Partners in new product development: SC Johnson and the alliance for environmental innovation", Corporate Environmental Strategy, Vol. 6 No. 2, pp. 110-28.

Aman, A. L. (2012). The influence of environmental knowledge and concern on green purchase intention the role of attitude as a mediating variable. British Journal of Arts and Social Sciences. Vol. 7 (3), pp. 2046-9578.

Ansar, N. (2013). Impact of Green Marketing on Consumer Purchase Intention. Mediterranean .Journal of Social Sciences. Vol. 4 (11), pp. 23-45.

Bolton, R. N. (2012). A multi-stage model of customer' assessments of service quality and value. Marketing Journal. Vol.4, pp. 55-99.

Chahal, H. (2012). Significant components of service brand equity in healthcare sector. International Journal of Health Care. Vol. 25 (4), pp. 343-362.

Chen, Y. S. (2010). The drivers of green brand equity: green brand image, green satisfaction, and green trust.Journal of Business Ethics.Vol. 93, pp. 307–319.

Chen, Y.-S. (2011) "Green organizational identity: sources and consequence", Management Decision, Vol. 49, No. 3, pp. 384-404.

Chi, H. (2013). The Influences of Perceived Value on Consumer Purchase Intention: The Moderating Effect of Advertising Endorser. Journal of Marketing.Vol. 23 (3), pp. 456-543.

Diamantopoulos, A. (2003). Can socio-demographics still play a role in profiling green consumers? A review of the evidence and an empirical investigation. Journal of Business Research. Vol. 56 (3), pp. 465– 480.

Dumitrescu, C. (2013). Perceived value of pasta in Greece and Romania. British Food Journal. Vol. 115 (10), pp. 1518-1536.

Granzin, K. and Olsen, J. (1991) "Characterizing participants in activities protecting the Environment: a focus on donating, recycling and conservation behaviors", Journal of Public Policy &Marketing, Vol. 10, No. 2, pp. 1-27.

Harris, L. C. (2010). Online servicescapes, trust, and purchase intentions. Journal of Services Marketing.Vol. 24 (3), pp. 230–243.

Kang, S. (2012). Investigating the antecedents of green brand equity: a sustainable development perspective.Corporate Social Responsibility and Environmental Management.Vol. 19, pp. 306– 316.

Kim, C. (2008). An empirical study on the integrated framework of e-crm in online shopping: evaluating the relationships among perceived value, satisfaction, and trust based on customers' perspectives. Journal of Electronic Commerce in Organizations.Vol. 6 (3), pp. 1-19.

Kim, C. (2008). An empirical study on the integrated framework of e-crm in online shopping: evaluating the relationships among perceived value, satisfaction, and trust based on customers' perspectives. Journal of Electronic Commerce in Organizations.Vol. 6 (3), pp. 1-19.

Koller, M. (2012). Consumer Loyalty: A "Green" Perspective. Psychology & Marketing. Vol. 28 (11), pp.1154–1176.

Laroche, M., Toffoli, R., Kim, C., & Muller, T. E. (1996). The influence of culture on pro-environmental knowledge, attitudes, and behavior: A Canadian perspective. *Advances in Consumer Research*, *23*, 196-202.

Lee, J. (2011). The different effects of online consumer reviews on consumers' purchase intentions depending on trust in online shopping malls an advertising perspective. Internet Research. Vol. 21(1), pp. 187-206.

Maha, M, and Ahmed, Y. (2012) Perception of green brand in an Emerging innovative market, European Journal of Innovation Management, Vol. 15, No. 4, 2012, pp. 514-537.

Mahesh, N. (2013). Consumers percived value, attitude and purchase intention of green products. Management Journal. Vol. 12 (1), pp. 33-44.

Mayer, R. (2012). Passenger perceptions of the green image associated with airlines. Journal of Transport Geography. Vol. 22, pp.179–186.

Mourad, M. (2012). Perception of green brand in an emerging innovative market. European Journal of Innovation.Vol. 15 (4), pp. 514-537.

Ng, P. F. (2013). Antecedents of Green Brand Equity: An Integrated Approach. Science+Business Media Dordrecht. Vol. 12 (2), pp. 13-43.

of Marketing. Vol. 70, pp. 136–150.

Ottman, J. A. (2008). The five simple rules of green marketing. Design Management Review. Vol. 8 (2), pp. 434-478.

Prothero, A. (1990), "Green consumerism and the societal marketing concept: marketing strategies for the 1990s", Journal of Marketing Management, Vol. 6 No. 2, pp. 87-

Rand Corporation (2004) "Consumer power", available at:www.rand.org/scitech/stpi/ourfuture/Consumer/index.html

Rios, F. J. (2006). Improving attitudes toward brands with environmental associations: an experimental approach. Journal of Consumer Marketing. Vol. 23 (1), pp. 26–33.

Rotter, J. B. (1978). Generalized expectancies for problem solving and psychotherapy. Cognitive Therapy and Research. Vol. 2(1), pp. 1-10.

Schlosser, A. E. (2006). Converting web site visitors into buyers: how web site investment increases consumer trusting beliefs and online purchase intentions.Journal of Marketing. Vol. 70, pp. 133–148.

Steenkamp, J.-B. E. (2006). How country characteristics affect the perceived value of web sites.Journal

Suki, N. M. (2013). Green awareness effects on consumers purchasing decision: some insights from Malaysia. IJAPS. Vol. 9 (2), pp. 33-54.

Sweeney, J. C. (1999). The Role of Perceived Risk in the Quality-Value Relationship: A Study in a Retail Environment. Journal of Retailing. Vol. 75 (1), pp. 77-105.

Szocs, C. R. (2011). Green marketing: analysis and classification. Journal of Consumer Research. Vol. 34 (1), pp. 256-263.

Tseng, S.-C. (2013). A framework identifying the gaps between customers' expectations and their perceptions in green products.Journal of Cleaner Production. Vol. 59, pp. 174-84.

Zarnikau, J. (2003). Consumer demand for 'green power' and energy efficiency.Energy Policy. Vol. 31, pp. 1661–1672.

Zhuang, W. (1997). The impact of perceived value on behavior intention: an empirical study. Journal of the Academy of Marketing Science. Vol. 4 (3), pp.34-54.