FACTORS AFFECTING THE ADOPTION OF GREEN LIFESTYLE IN INDIAN ENVIRONMENT.

ANITA RANI[1], Dr. Parminder Kaur[2]
[1]Author: Research Scholar, School of Management Studies Punjabi University, Patiala, Punjab,
[2] Co-Author: Principal, S.S.D.Girls' College, Bathinda, Punjab.

ABSTRACT

Green marketing is a process to develop products and services that satisfy the needs of consumer without making harmful impact on the environment. This paper aims to investigate the influence of factors named; perceived risk, perceived benefit, perceived quality, conditional value, emotional value and attitude towards green products on green adoption behavior of Indian consumer. A total of 400 respondents were surveyed through the self-administered questionnaire approach. Regression analysis was employed to examine the influencing factors of green adoption behavior in the study area. The results suggested that perceived benefit, perceived quality, conditional value, emotional value and attitude towards green products positively and significantly influence green adoption behavior and there is a negative relationship between perceived risk and green adoption behavior. The research provided some valuable suggestions for further green marketing strategies.

Keywords: green adoption behavior, green products, green marketing.

INTRODUCTION

The recent use of environmental issues is a source of competitive advantage in business and politics. India's heterogeneity – geographies, ethnic groups, languages, religions, income levels, urban/rural mix – leads to a lot of changes in the likings and tastes of the consumers. So to understand the need of the Indian consumer and planning and forecasting their change in purchase behaviour is always a challenging practice for organizations while the launching of new products. They have to keep track of Indian companies innovating to extend their product portfolio as well as global companies who are extending their brand in the Indian market resulting in diminishing the advantages the key success factors of existing products. The swiftly declining state of our environment has been in focus of various societal stakeholders for the past 50-60 years. People, institute and organization from across the globe have started to realize the problem and have joined forces to prevent the environment from relegating into a critical state. In 1960, a new marketing philosophy was invented known as **"Green Marketing"** where the consumer need of eco friendly products was the focal point of study. A shift of consumer mindset towards green technologies encouraged the organizations for introducing a range of products

for different customer segments. Ritchi & McDougall (1985) founded that consumers are showing pro-environmental behaviour due to social pressures to be green.

GREEN MARKETING

- *A*ccording to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing includes a broad range of activities, such as changes to the production process, product modification, changes to packaging, as well as modifying advertising.

GREEN PURCHASE BEHAVIOUR

- Green purchase behaviour is defined as the consumption of products that are not harmful to environment, recyclable or sensible to ecological concerns (Mostafa, 2007). It is also referred to as "environment responsible purchasing", "environmentally preferable purchasing", and "eco-friendly products purchasing". It means that purchasing efforts that give preferences to products that are least harmful to the environment.
- Grunert (1993) identified that only few customers show their concern towards environment and actually translate their purchasing behaviour into environment-friendly products. Now days, people are becoming more aware about environmental problems but have less readiness to purchase green products and to pay more for green products. Marketers are facing a challenge to having a complete understanding of consumer green purchase behaviour.

LITERATURE REVIEW

Green Marketing

Andy Gray (2014) emphasized a company can attract and retain employees through its green initiatives as sharing experiences that a company is working on environmental sustainability. Recycling, going paperless, using hybrid cars, reducing water waste and taking action to save energy are indicators of forward-looking, research-driven people. **Lee E. et al. (2014)** emphasized that Green consumers are those who are economically responsible while making their choices of environment-friendly products. **M. S. Shamsi & Z. S. Siddiqui (2017)** found that environmental sustainability and consumer's personal consciousness were the motivating factors for using a green product whereas unavailability, unawareness and cost of installation were de-motivating factors. Educational qualification has a significant positive relationship with the green product usage. Other demographic variables; age, gender and income has no significant relationship with consumer's behaviour towards green products.

Green Purchasing and Green Product

Green purchasing is the behavioural factors which include environmental-friendly behaviour of the consumers (Dietz et al., 1998). Green purchasing can be defined as buying the environmental-friendly products or so-called green products. In conclusion, green purchasing can be defined as the purchase or buying of products

that can reduce the environmental impact. Green product is interchangeable with the term "eco-friendly product" (Kawitkar, 2013), "environmental-friendly product" and "ecological product" (Chen & Chai, 2010). According to Chen and Chai (2010), green product is the product which has minimum impact on environment and it incorporates the strategies with recycled materials, reduced packaging and using less harmful substances.

Factors affecting green product adoption

Muhammad Danish et al. (2019) found functional value price, social value identity, quality, responsibility, conditional value and emotional value positively and significantly impact the buyer choice behaviour with respect to green electronics. **Mamoun N. Akroush et al. (2018)** found that energy awareness significantly affected the purchase intention, attitude and perceived benefits but negatively and non-significantly affected perceived price. Perceived benefits positively and significantly affected the buying intentions and consumer attitudes. Perceived price negatively and significantly affected consumer attitude and perceived benefits. Consumer attitudes have strongest effect on purchase intentions of consumer towards energy efficient electronic products and consumer attitudes are the functions of perceived benefit and energy awareness.

Green Purchase Intention

Green purchase intention can be defined as the willingness of an individual to consider and prefer the green product rather than conventional or traditional product in the decision making process (Aman et al., 2012; Rashid, 2009; Ali & Ahmad, 2012). Purchase intention has been an important concept in marketing literature and most companies are using purchase intention as the predictor of the sales of new products and the repeat purchases of existing products (Ali et al., 2011). According to Chan (2001), purchase intention has the great possibility to affect the purchase green product and green purchase intention as the predictor of green purchase behaviour. Green purchasing intention is also examined as an indicator of a subsequent behaviour in response to the purchase of green products (Park & Ha, 2012).

OBJECTIVES OF THE STUDY

The objective of this paper is mainly to identify the factors that affect adoption of green lifestyle of Indian consumer.

Independent variables: perceived risk, perceived benefit, perceived quality, conditional value, emotional value, attitude towards green products

Dependent variables: green adoption behavior

HYPOTHESIS

H_1: There is no significant impact of perceived risk on green adoption behavior.

H_2: There is no significant impact of perceived benefit on green adoption behavior.

H_3: There is no significant impact of perceived quality on green adoption behavior.

H_4: There is no significant impact of conditional value on green adoption behavior.

H_5: There is no significant impact of emotional value on green adoption behavior.

H_6: There is no significant impact of attitude towards green products on green adoption behavior.

RESEARCH METHODOLOGY

A total number of 400 self-administered questionnaires using 5-point Likert scale were distributed to the respondents in the state of Punjab. Non-probability sampling through convenience sampling was adopted due to its fast and efficient sampling method for collecting basic information (Aman et al., 2012). The instrument items were adopted from previous study by Kilbourne and Pickett (2008), Aman et al. (2012), Tsarenko (2013).

FACTORS AFFECTING THE ADOPTION OF GREEN LIFESTYLE IN INDIAN ENVIRONMENT.

Table 4.49: Factors affecting the adoption of green lifestyle in Indian environment.

Factors/ dimensions	Factors influencing green adoption behavior	Factor Loading	Eigen Value	Variance (%)	Cumulative (%)
1. **Perceived Risk**	2.62 I do not believe claims made on labels.	.859	4.817	19.483	19.483
	2.65 I need to spend time to know about green products.	.754			
	2.64 It is inconvenient to identify green products.	.749			
	2.63 I have lower degree of awareness on green products.	.745			
	2.61 I believe that 'Green' is only a marketing strategy.	.732			
	2.60 Using green electronic products, there is no reduction in electricity bill.	.725			
	2.59 I believe that green products are expensive.	.682			
2. **Perceived quality**	2.70 Green products have an acceptable standard of quality.	.864	2.720	10.880	30.363
	2.69 Green products have consistent quality.	.842			
	2.72 Green products have low quality.	.755			
	2.71 Green products would perform consistently.	.733			
3.Conditional Value	2.73 I would buy the green products instead of conventional products under worsening environmental conditions.	.908	2.652	10.610	40.973
	2.75 I would buy the green products instead of conventional products when there are discount rates for green products or promotional activity.	.816			
	2.76 I would buy the green products instead of conventional products when green products are available.	.783			
	2.74 I would buy the green products instead of conventional products when there is a subsidy for green products.	.761			
4. Attitude towards green products	2.80 I believe that the use of green products by me will help in reducing pollution and also help in improving the environment.	.864	2.361	9.444	50.417
	2.83 I don't mind if I have to change my lifestyle in order to use green products	.782			
	2.82 I like using green products.	.772			
	2.81 I feel good about myself when I use green products.	.751			
5. Perceived Benefits	2.66 I believe that green electronics helps to reduce electricity bill.	.841	1.986	7.944	58.362
	2.68 I believe that increased price of green products provide value for money.	.828			
	2.67 I believe that green products help to conserve environment.	.813			
6. **Emotional Value**	2.77 Buying the green products instead of conventional green products would feel like making a good personal contribution to something better.	.847	1.839	7.356	65.718
	2.78 Buying the green products instead of conventional products would feel like the morally right thing.	.818			
	2.79 Buying the green products instead of conventional products would make me feel like a better person.	.814			

Factor Analysis: Factors influencing adoption of green lifestyle

Principal factor analysis (PFA) with Varimax rotation has been applied in this study to extract the **Factors influencing adoption of green lifestyle**. KMO (Kaiser-Meyer-Olkin) test value of .798, which is larger than the cut-off point of .60, indicate that adequacy of sample (n= 400) and significance of Bartlett test of sphericity

validated the conditions to use factor analysis. Based on criteria of Eigen value greater than 1 and factor loading above .30, six factors were extracted that accounted for 65.718 % of total variance (Table 4.49).

The first component consisted of 7 statements which were termed as 'Perceived risk' accounted for 19.483% of total variance. The second component containing 4 statements was named as 'perceived quality' and it accounted for 10.880% of total variance. The third component contained 4 statements, was named 'conditional value' accounted for 10.610% of total variance. The fourth factor contained 4 statements which accounted for 9.44% of total variance and was termed as 'attitude towards green products'. The fifth factor contained 3 statements was termed as 'perceived benefit' accounted for 7.944% of total variance. Likewise, the sixth factor contained 3 statements was termed as 'emotional value' accounted for 7.356% of total variance.

DATA ANALYSIS

Regression analysis was employed to examine the influencing factors of green adoption behavior in the study area. In this study green adoption behavior is the dependent variable and perceived risk, perceived benefit, perceived quality, conditional value, emotional value, attitude towards green products are the independent variables.

Table 1: Regression analysis predicting green adoption behavior by various factors

Independent variable	Beta	T	R^2	F	P
Perceived risk	-.325	-6.847	.105	46.878	.000
Perceived benefit	.768	23.949	.590	573.566	.000
Perceived quality	.723	23.949	.522	569.662	.000
Conditional value	.413	12.274	.171	5.173	.000
Emotional value	.522	12.197	.272	148.775	.000
Attitude	.818	28.376	.669	805.174	.000

Source: Primary data

RESULTS AND DISCUSSION

- The regression analyses depicted (Table 1) perceived risk accounted for 10.5% of variance in green adoption behavior. The t-value for the independent variable perceived risk came out -6.847(p = 0.000) and found as significant contributor to the dependent variable. The beta weight of -.325 indicated that there is a negative relationship between perceived risk and green adoption behavior, as risk perceived by respondents decreases, there is improvement in green adoption behavior of respondents. The respondents perceive risk from green products in terms of expensiveness, no reduction in electricity bills, 'Green' only a marketing strategy, lack of trust in claims made on labels, lack of awareness, inconvenient to identify green products and need to spend time to know about green products. Thus, it may be concluded that as this risk perceived by respondent's decreases, it improves the green adoption

behavior of respondents. Therefore, hypothesis which states that "There is no significant impact of perceived risk on green adoption behavior" stands rejected.

- Perceived benefit accounted for 59.0% of variance in green adoption behavior. The t-value for the independent variable perceived benefit came out 23.949(p = 0.000) and found as significant contributor to the dependent variable green adoption behavior. The beta weight of .768 indicated that as benefits perceived by respondents increases, there is improvement in green adoption behavior of respondents. The respondents perceive benefits from green products in terms of helping to conserve environment, believe that green electronics helps to reduce electricity bills and increased price of green products provide value for money. Thus, it may be concluded that as perceived benefit enhances the green adoption behavior of respondents. Therefore, hypothesis which states that "There is no significant impact of perceived benefit on green adoption behavior" stands rejected.
- Perceived quality accounted for 52.2% of variance in green adoption behavior. The t-value for the independent variable perceived quality came out 23.949(p = 0.000) and found as significant contributor to the dependent variable. The beta weight of .723 indicated that as there is improvement in quality of green products perceived by respondents, there is improvement in green adoption behavior of respondents. The respondents perceive quality of green products in terms of consistent quality of green products, acceptable standard of quality, low quality and consistent performance. Thus, it may be concluded that perceived quality enhances the green adoption behavior of respondents. Therefore, hypothesis which states that "There is no significant impact of perceived quality on green adoption behavior" stands rejected.
- Conditional value accounted for 17.1% of variance in green adoption behavior. The t-value for the conditional value (independent variable) came out 12.274(p = 0.000) and found as significant contributor to the dependent variable green adoption behavior. The beta weight is .413, which indicated that conditional value influences the green adoption behavior and as there is improvement in conditional value, there is improvement in green adoption behavior. Conditional value of green products is as respondents would buy green products only in worsening conditions of environment, at availability of subsidy, discount or any promotional activity and on the availability of green products. Thus, it may be concluded that conditional value enhances the green adoption behavior of respondents. Therefore, hypothesis which states that "There is no significant impact of conditional value on green adoption behavior" stands rejected.
- Emotional value accounted for 27.2% of variance in green adoption behavior. The t-value for the independent variable conditional came out -12.197(p = 0.000) and found as significant contributor to the dependent variable. The beta weight of .522 indicated that as emotional value among respondents improves, there is improvement in green adoption behavior. Thus, it may be concluded that emotional value in terms feeling of making a good contribution towards something better, feeling of morally right and feel like a better person enhances the green adoption behavior of respondents. Therefore, hypothesis which states that "There is no significant impact of emotional value on green adoption behavior" stands rejected.

- Attitude towards green products accounted for 66.9% of variance in green adoption behavior. The t-value for the independent variable named attitude towards green products found to be significant 28.376(p = 0.000). The beta weight of .818 indicated that as there is improvement in attitude of respondents towards green products, there is improvement in green adoption behavior. Therefore, hypothesis which states that "There is no significant impact of attitude towards green products on green adoption behavior" stands rejected.

CONCLUSION

Major environmental issues and exhaustion of normal assets constrained human development to concentrate on environmentally dependable utilization. An ever increasing number of associations are creating environment friendly products today and buyers are likewise demonstrating expanded readiness to buy such products. In any case, a greater part of past investigations report that shoppers' positive attitudes don't convert into genuine purchasing activities and the majority of the shoppers don't buy green products. This examination tends to the requirement for an audit study to analyze accessible writing for deciding the different purposes for the conflicting conduct of consumers. The marketer should take step keeping in the mind that consumer is concerned and ready to do their bit towards environment protection. The Marketers should concentrate on the factors that are affecting the green purchase behavior of consumers.

REFERENCES

- Albayrak, T., Aksoy, S., & Caber, M. (2013), "The effect of environmental concern and skepticism on green purchase behavior", Marketing Intelligence and Planning, Vol. 31 No. 1, pp.27 – 39.
- Ali, A., & Ahmad, I. (2012), "Environment friendly products: factors that influence the green purchase intentions of Pakistani consumers", PJETS, Vol. 2 No. 1, pp. 84 – 117.
- Chen, T. B., & Chai, L. T. (2010), "Attitude towards the environment and green products: consumers' perspective", Management Science and Engineering, Vol. 4 No. 2, pp. 27 – 39.
- Chen, Y. S. (2010), "The drivers of green brand equity: green brand image, green satisfaction, and green trust", Journal of Business Ethics, Vol. 93 No. 2, pp. 307-319.
- Goldsmith, R. E., Moore, M. N., & Beaudoin, P. (1999), " Fashion innovativeness and self concept: A replication", Journal of Product &Brand Management, Vol. 8 No. 1, pp. 7 – 18.
- Gray A. (2014), "Making Green from Going Green", Westchester County Business Journal, article,
- Hughner, R. S., McDonagh, P., Prothero, A., Shultz, C. J., & Stanton, J. (2007), "Who are organic food consumers? A compilation and review of why people purchase organic food", Journal of consumer behaviour, Vol. 6 No. 1, pp. 94-110.
- Kawitkar, S. S. (2013), "Impact of eco-friendly products on consumer behavior", International Indexed & Refereed Research Journal, Vol. 40, pp. 42 – 44.

- Lee, E., Kwon, G., Shin, H., Yang, S., Lee, S., & Suh, M. (2014), "The Spell of Green: Can Frontal EEG Activations Identify Green Consumers?" Journal of Business Ethics, Vol. 122 No. 3, pp. 511-521. doi:10.1007/s10551-013-1775-2
- Lee, K. (2009), "Gender differences in Hong Kong adolescent consumers' green purchasing behavior", Journal of Consumer Marketing, Vol. 26 No. 2, pp. 87 – 96.
- Oliver, J. D., & Lee, S. H. (2010), "Hybrid car purchase intentions: A cross- cultural an analysis", Journal of Consumer Marketing, Vol. 27 No. 2, pp. 96 – 103.
- Shamsi, M. S., Siddiqui, Z. S. (2017), "Green Product and Consumer Behavior: An Analytical Study", Article. Pertanika J. Soc. Sci. & Humanities, Vol. 25 No. 4, pp. 1545 – 1554.
- Tung, S. J., Shih, C. C., Wei, S., & Chen, Y. H. (2012), "Attitudinal inconsistency toward organic food in relation to purchasing intention and behavior: An illustration of Taiwan consumers", British Food Journal, Vol. 114 No. 7, pp. 997-1015.
- Vermeir, I., & Verbeke, W. (2006), "Sustainable food consumption: Exploring the consumer "attitude–behavioral intention" gap", Journal of Agricultural and Environmental Ethics, Vol. 19 No. 2, pp. 169-194.
- Wahid, N. A., Rahbar, E., & Tan, S. S. (2011), "Factors influencing the green purchase behavior of Penang environmental volunteer", International Business Management, Vol. 5 No. 1, pp. 38 – 49.