



CONSUMER DEMAND FOR GREEN PRODUCTS - KERALA PERSPECTIVE

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Abstract

The problem that policy makers face in kerala now a days is to effectively and efficiently balance the twin themes of economic development and at the same time minimising the damage to the environment. Kerala, known for its paradoxical social development not matched to economic development, have extensive environmental awareness .along with this they possess societal and environment responsibility .but Kerala today faces problems such as air pollution, severe traffic noise, non-availability of pure water, limitations in garbage disposal etc. So the keralite want to solve these problems seriously as they affect their well-being. This green awakening force then to avail the green products. Thus the prominence of green products assumes significance in this context.

This paper tries to analyse the factors which impede the demand for environment friendly products by the population of Kerala.

Key words- environment, economic development, environmental awareness, environment friendly goods.

Introduction

Keralites experiences dramatic climatic changes which affect the living conditions of a good majority of population in our state. These are all due to the environmental abuses, human misuse of natural resources and failure to protect the blue planet. This has created a shift in the environmental consciousness of the people of kerala and encourages the population to protect the natural resources from depletion .this ensures the utilization of green products among the population of Kerala. This analysis aims to solve this puzzle to policy makers by forwarding certain suggestions to mitigate the imbalance between environment growth and environment protection. Sustainable development seeks to make the competing goals of economic growth and environmental protection compatible.

The government recognised the need for environmental protection while achieving sustainable development. Preventive strategy includes creating awareness among the population on environmental destruction and degradation. In addition to that it should extend choices for suitable substitutes for goods that increase the intensity of environmental damage. Here comes the role of green products or environment friendly goods.

A green product is the one that has less environmental impact and is less detrimental to the health of population than the other alternatives available for the product. But no product will be green in its full sense because all products will necessarily have some impact on our environment.. The 2012 Greendex survey reflected that Indian consumers are choosing to buy environment friendly products.

.environmental friendly purchasing is vital since from various studies, it is revealed that 40% environment damage is due to unplanned house hold purchase. The role of consumers are highlighted in this statement .they possess the capacity to increase or decrease or to minimise the environmental damage.

According to a survey conducted by national geographic channel, india is one of the countries in the top order whose environmentally sustained consumption is increasing through years. The same is the case with Kerala when compared to other states in india .an analysis of consumer behaviour towards green products assumes importance today, as we all are increasingly concerned about the environment and for the protection of mother earth. But this environmental consciousness of keralites is not always translated into the increased demand for environment friendly goods practically.

This paper tries to analyse the factors which impede the demand for environment friendly products by the population of Kerala. This paper may help policy makers to identify the ways through which we can increase the demand for environment friendly products in kerala. These efforts can be materialised to bring forth suggestions to improve and to increase the utility of eco-friendly products among keralites.

Literature Review

This creates a background to the study by examining and evaluating other research done in the similar area. In order to conduct the research on the topic of “socio-economic status and consumer behaviour towards Consumer demand and green products in kerala”, a review of earlier studies on the topics related to this is relevant and essential. So an in depth understanding of what has already been done on the field by other research scholars, academicians, politicians and policy makers are quite significant. Some of the important reviews among them are

International journal of research in it and management (ijrim) [vol-6 issue- 7 july 2016] published on line an article entitled “A Study On Consumer’s Perception Towards Eco-Friendly Products In Ahmedabad” by Preeti Pillai (Assistant Professor, marketing, Ijims) and Dr.S.O.Junare. This study aims to understand the perception of consumers towards eco-friendly white goods, awareness about its availability and the demographic profile of consumers. The target group for analysis were individuals from age group 21 years

and above and the data was collected from 105 respondents using convenience non-probability sampling technique. Questionnaires were distributed through on line method (e-mail) and offline method (hand delivery) .likert scale has been adopted for analysis. Variables taken for analysis include age, gender, income, education, occupation, perception towards green products etc. Although majority of respondents are in favour of the use of green products as they are good for environment and have good quality with high price. But the study shows that the consumers are not able to identify green products from conventional products and that they are not well marketed .female young persons and higher income bracket are the potential green consumers as per the findings of the study. Other findings of the study are that all are aware of environment deterioration .the concept of white green products are not clearly defined. The study is confined to the city of ahmedabad alone. Apart from it the study does not take into account other factors which influence the buying decision of the consumers. All this laid the foundation for further research in the topic.

“A Study On Consumer’s Perception On Eco-Friendly Products With Reference To Kollam District In Kerala” is an article published in epra(international journal of economic and business review-vol-3 july 2015) co-authored By Anu Varghese, Assistant Professor, St. John’s College, Anchal And Santhosh.J, St. Mary’s, Hss ,Kottarakkara. the study aimed to analyse the consumer behaviour towards the green products and factors influencing the consumer behaviour, particularly the impact of eco-friendly products on consumer behaviour in the kollam district of kerala. It also studies the extent of consumer awareness on green products while trying to identify the problems faced by the eco -friendly consumers this study basically try to highlight the role of green marketing in kerala. Survey method, compiling structured questionnaire has been used for the study which is designed as descriptive in nature. Convenience sampling method was used for the purpose of collecting data from around 80 consumers in the kollam district. According to the study conducted, the educated female consumers top the use of the product and the problems identified are less availability, high price and low promotion of green products. Most of the consumers buy products from super market and they prefer organic products, particularly, vegetables .it is suggested that the awareness on environmental problems and resultant encouragement of the use of green products should be implemented to shift upwards the consumer demand for green products .it can be done with the help of the active participation of eco clubs and by the actions of government, ngo’s, educational institutions etc. Thus paving the way for the development of green marketing in the society.

In the international journal of research in commerce and management published in february 2012, an article titled “consumer attitude towards green products of fmcg sector: an empirical study” co-authored by Dr. K.P.V. Raman Kumar, Dean (R & D) Director, Scsrmv Deemed University, Kanchipuram, Manoj Krishnan C.G., Tkm Institute Of Management, Kollam And Suma S.R, Scsrmv Deemed University, Kanchipuram. It deals with green marketing concept and the fmcg sector is one of the growing industries concentrating on green marketing issues .this study focus on the consumer’s attitude and attractiveness towards green products and fmcg sector. The key concepts identified are environment protection, green marketing and eco-friendly products. Hypothesis developed on the basis of gender, environmental attitude,

attitude towards green products, desirability, price, place, promotion and packages and consumer's buying decisions. It was based on empirical analysis which used convenience sampling to collect information from 150 respondents like academicians, students, business personals, office workers etc. Having exposure to fmcg categories with suitable questionnaire. The respondents were from thiruvananthapuram, kollam and alappuzha districts. Using spss package, data were analysed using descriptive statistical tools like central tendency, percentage analysis, and hypothesis testing and correlation analysis. The study concluded with the statement that the twin objectives of green marketing are the improved environmental quality and customer satisfaction. There is no gender discrimination towards environmental attitudes and all are keener to pay high price for green products. The main limitation of this analysis is that the study is not based on specific green products but is based on general fmcg products thus creating a space for further research on the topic.

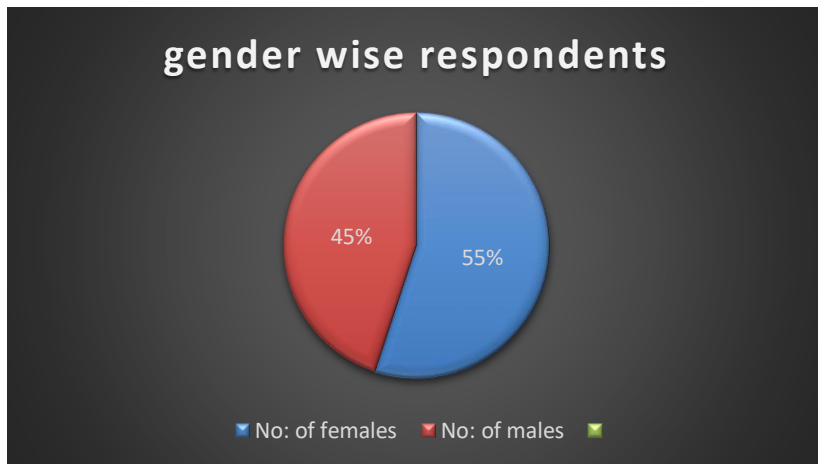
Wilson Kong, Jaratin Lily, Rini Suryati Sulong And Amran Harun (Universiti Malaysia Sabha) in their article entitled "The Influence Of Consumer's Perception Of Green Products On Green Purchase Intention" published in international journal of asian social science (2014) discussed about the influence of consumer perception of green products on green purchase intention. The variables identified for the study are green corporate perception, eco-label, green advertising, green packaging and green product value. Altogether four hypothesis are developed for the study. This was a cross sectional study with a self-administered questionnaire sent to the respondents through off line and online methods. A five point likert scale was used for the purpose. Sample size is 159. The respondents selected were above 18 years of age who had independent decisions regarding purchase of products. Factor analysis and multiple regression analysis had been adopted for the survey. The findings of the study showed that green advertisement and green packaging has no significant impact on purchase intention whereas all the other three variables studied influenced the purchase intention in a positive manner. This study is limited to green consumerism in Malaysia. It is significant to note that Malaysia has been ranked ninth for the consumer awareness on the impact of air pollution and global warming. But it is astonishing to find out that only 20% of the consumers are willing to pay more for green products in this context. What the study reminded is that the consumer's perception on green consumers differs geographically. Here the study depends on consumer attitude in Malaysia which is completely different from Kerala. This necessitated further analysis on the consumption of green products.

Methodology adopted and the analysis

We are aware that the environmental awareness and the responsibility to protect the environment has not been translated into the purchasing power of consumers towards green products in Kerala. There are certain factors which restrict the demand for green products in Kerala. In order to analyse it, a mailed questionnaire has been used. The random sampling method was adopted for gathering samples of 89 individuals from Kerala. About 175 questionnaires are mailed but only 108 responded, of which 19 are found to be defective. The research tools used are simple tools including bar diagram and pie chart.

Of the 89 samples considered for analysis, 49 are females and the rest are males

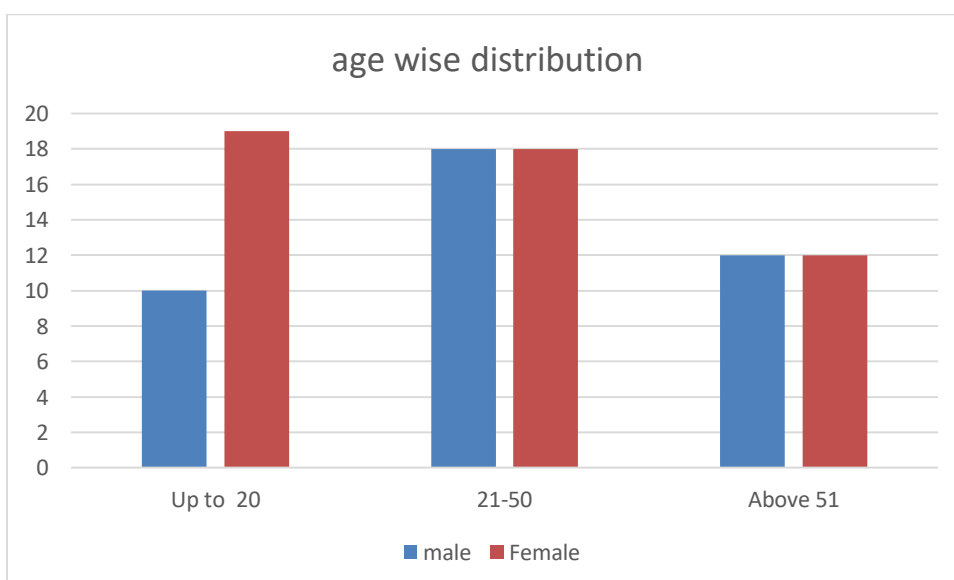
No: of females	No: of males	total
49	40	89



According to the above analysis, about 55% females and 45% males responded positively to the mailed questionnaire. This itself shows the positive response of females to that of male.

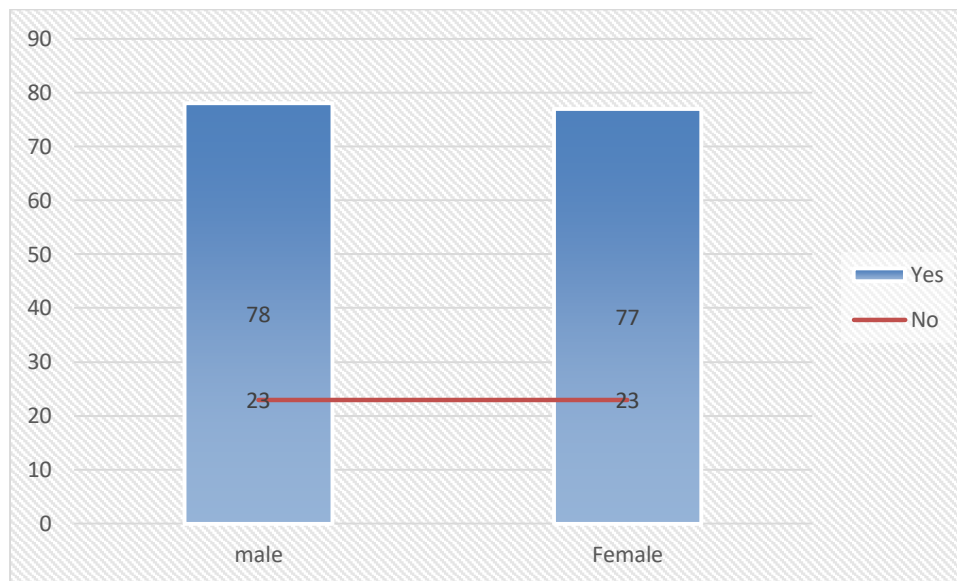
The respondents are asked to state their age group, income, occupation and education level. These are stated in the following table

Age group	male	Female
Up to 20	10	19
21-50	18	18
Above 51	12	12



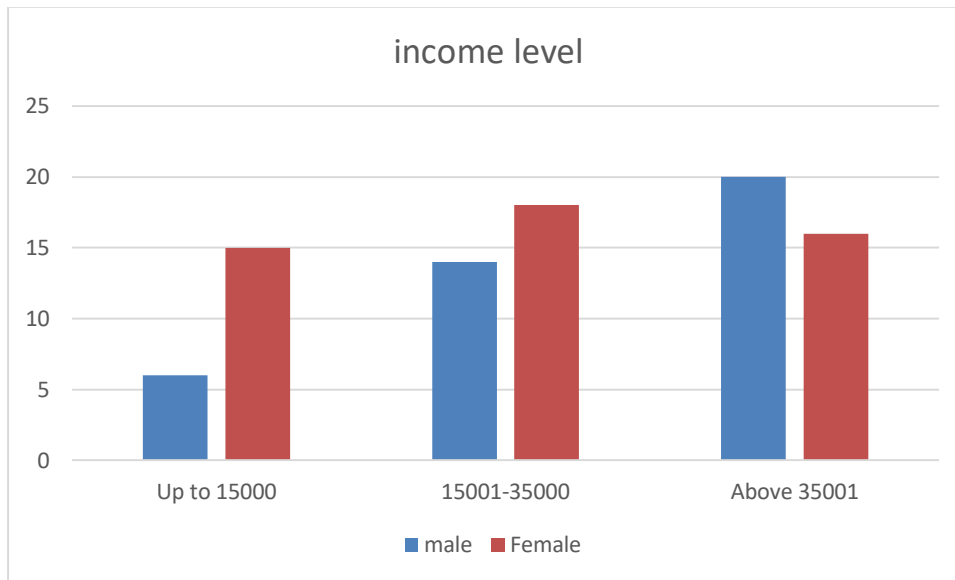
Of these, majority of males belonged to the age group 21-50, whereas there is no difference between the age group below 20 and between 21 and 50 in the case of female category.

occupation	male	Female
Yes	31	38
No	9	11



From the above diagram, we can find that about 78% of male and 77 % of female have jobs.

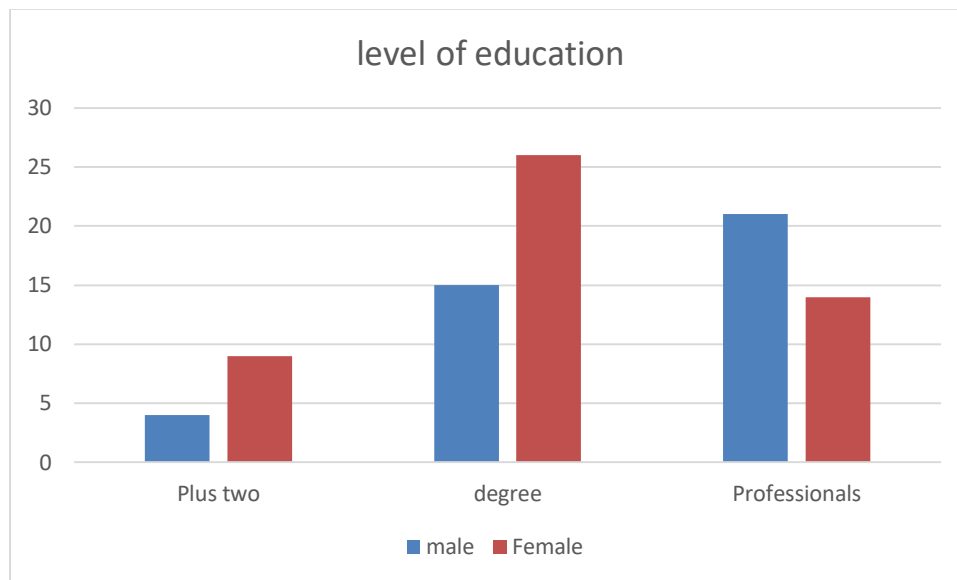
Income level(monthly)	male	Female
Up to 15000	6	15
15001-35000	14	18
Above 35001	20	16



Income level(monthly)	Male(in%)	Female(in%)
Up to 15000	15	31
15001-35000	35	37
Above 35001	50	32

As far as the income level is concerned, 15% of male have income up to 15%, but the majority of male respondents is about 50% are included in the income category above 35001. But in the case of female, the majority respondents are in the income category 15001-35000.

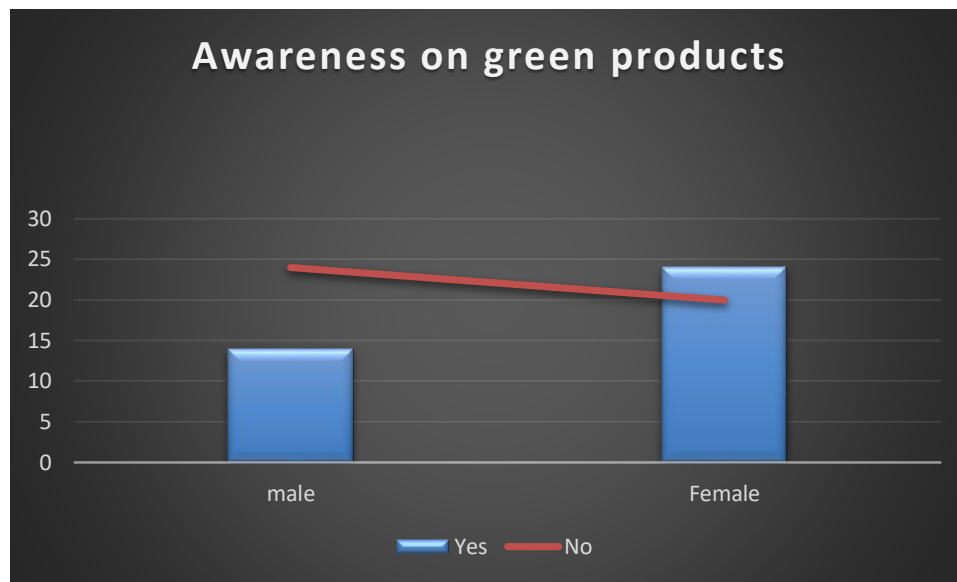
Level of education	male	Female
Plus two	4	9
degree	15	26
Professionals	21	14



Level of education	male(%)	Female(%)
Plus two	10	18
degree	38	53
Professionals	52	29

From the above graph ,we can see that about 52 % of male are professionals ,whereas that of 53% of females are degree graduates.

Are you aware of green products?	Male	Female
Yes	38	44
No	2	5



Are you aware of green products?	Male(%)	Female(%)
Yes	95	90
No	5	10

From the table given above, we can conclude that 95% of males and 90% of females are aware of green products.

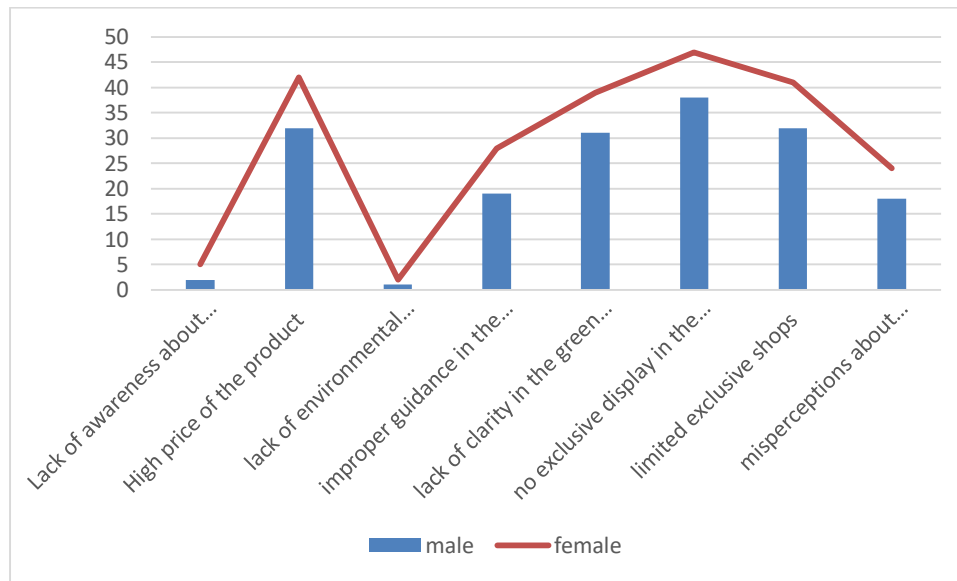
Do you buy green products always?	male	Female
Yes	14	24
No	24	20



Do you buy green products always?	male	Female
Yes	37	55
No	63	45

From the above analysis , we can infer that only 37 % of males and 55% females are able to buy green products.

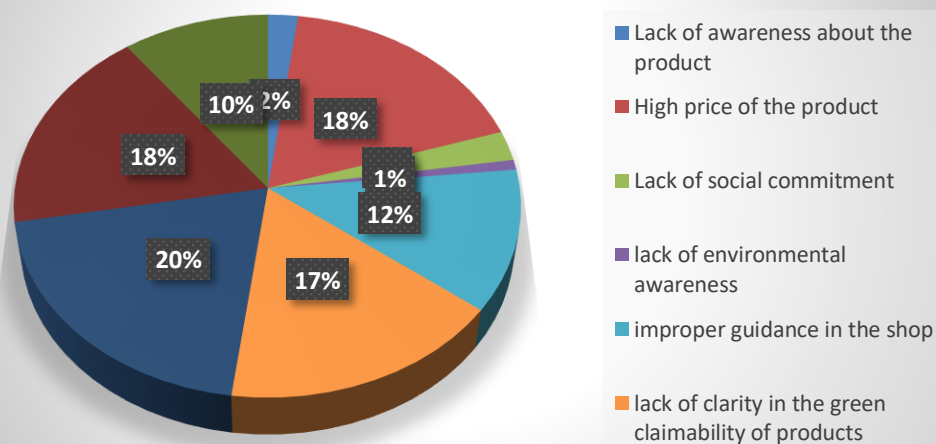
Factors inhibiting the green purchasing decisions	male	Female
Lack of awareness about the product	2	5
High price of the product	32	42
Lack of social commitment	9	6
lack of environmental awareness	1	2
improper guidance in the shop	19	28
lack of clarity in the green claimability of products	31	39
no exclusive display in the shop	38	47
limited exclusive shops	32	41
misperceptions about the quality of the product	18	24



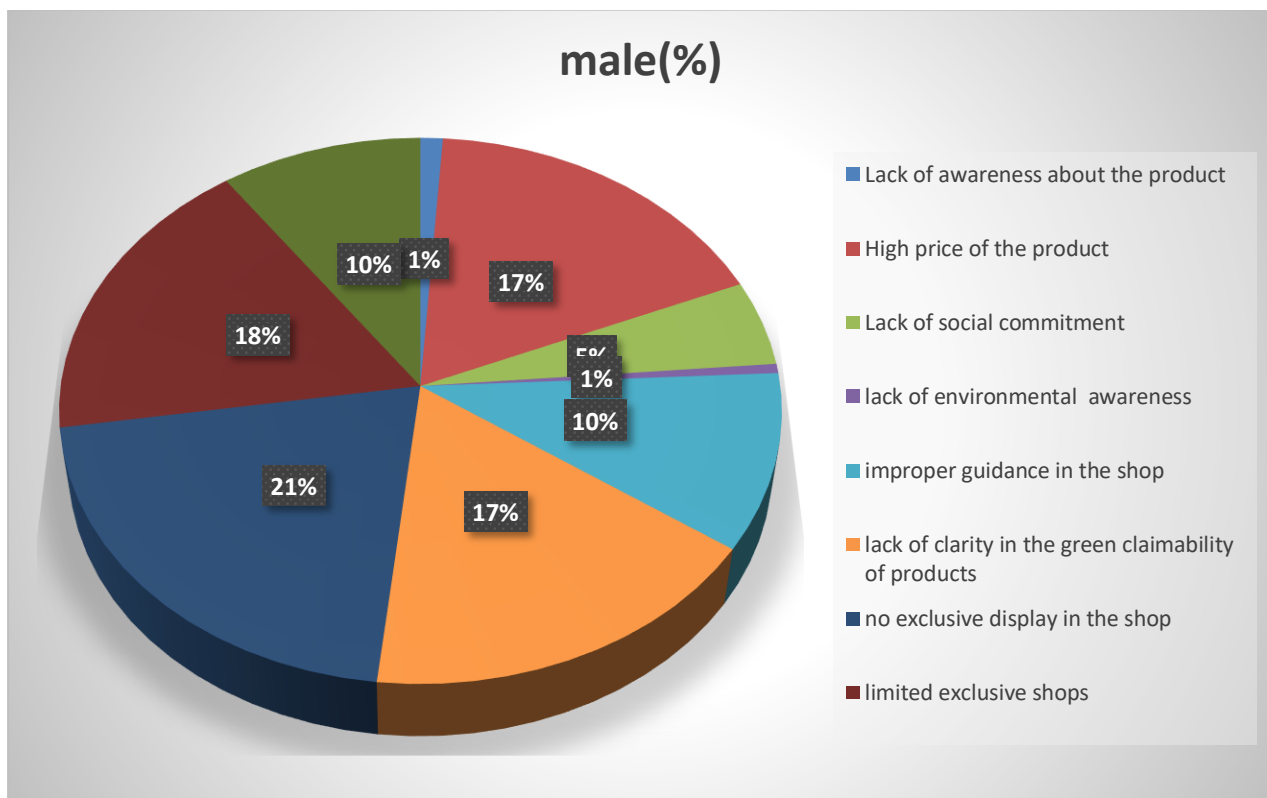
Factors inhibiting the green purchasing decisions	male(%)	Female(%)
Lack of awareness about the product	5	10
High price of the product	80	86
Lack of social commitment	23	12
lack of environmental awareness	2.5	4

improper guidance in the shop	47.5	57
lack of clarity in the green claimability of products	78	80
no exclusive display in the shop	95	96
limited exclusive shops	80	84
misperceptions about the quality of the product	45	49

Female(%)



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We can infer from the above that 5% of males and 10% females are unaware of the green products. According to 86% males and 80% females express that the high price of the product inhibits the purchasing of green product. Lack of social commitment and lack of general awareness does not influence the purchasing decisions of the respondents to a larger extent. About 50% of males and females explained improper guidance in the shop as a hindering factor for the demand for green products. Nearly 80% of males and females find improper green claim as factor affecting the purchase of green products. About 80% of respondents consider limited green shops a great hindrance in the demand for green products. In addition to that half of the respondents did consider the quality of green products as an important determinant in the demand for green products.

Findings and suggestions

Women are more responsive to green products than men. Of which, younger generation is much more responsive to green products. Women from middle income group and professional degree holders from women respond to the need for green products. Higher education did influence the demand for green products positively. One distinguishing factor that gain attention is that majority of consumers are aware of green products, but this awareness is not converted into actual purchasing practically. A major impediment is that there is no other way available to identify green products, other than the claims of producers, labels such as eco-friendly, biodegradable, earth friendly etc. The majority of middle income family consumers are the major demanding population for environment friendly products...A good majority of respondents of both genders explained that

there is no exclusive display of green products at shops which reduce the demand for green products. There are also limited green shops in the state. Higher price of green products is a major drawback to the demand for green products.

One of the important suggestion is to provide some incentives to green products to check its price. The display of green products exclusively at shops be made mandatory. At the same time the government should encourage producers to set up green shops at regular convenient places. Tax concessions should be provided to green producers to increase its production, which helps in price reduction.

Conclusions

Environmental concerns came to the forefront only recently. This analysis will give us an insight into the consumption behaviour of the population with respect to eco-friendly products in Kerala. The research may help to examine certain factors which may influence the consumers' decision to purchase eco-friendly products. This study can also be utilised to improve and to increase the demand for eco-friendly products among keralites.

Environment friendly products and its awareness among the population are highly necessary for sustainable development. It is a step towards the welfare of future generation. It encourages innovations and subsequently green consumption.

Above all this study will bring awareness among the population surveyed, about the green products that ultimately brings a positive change among them leading to a better environment for us and for the future generation.

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Literature review

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