



Consumer Buying Behavior towards Green marketing and its Impact.

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ABSTRACT

With its entry into the consumer world, where customers are not only aware of numerous brands and their perceived quality, but also have begun to pay more attention to the environment and are consequently becoming more eco-friendly, green marketing is going to be a proactive topic. In order to keep customers loyal for a long time by implementing green management, businesses are also examining other methods of communication with them. The study's objective is to determine how green marketing affects consumer purchasing behavior and how businesses may gain a competitive edge by using it. How adopting green practices could increase demand, and what obstacles businesses would encounter in doing so. The results from this illustrates that companies need to increase their communication with the customers for going green, and that attributes like price and quality are more important than "environmental responsibility". The research study took place in Hyderabad. The data has to be collected from multiple sources of evidence to understand the importance of green and sustainability management, in addition to books, journals, and websites.

Keywords: *Green marketing, consumer behavior, green management, sustainability.*

INTRODCUTION

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Green marketing is the practice of promoting goods and/or services based on their favorable effects on the environment. Such a good or service might be environmentally friendly in and of itself, or it might have been created, distributed, or packaged in a green manner. Green marketing makes the obvious assumption that prospective customers will consider a product or service's "greenness" to be an advantage and base their purchase decision accordingly. Consumers will be prepared to pay more for green items than they would for a less-green comparable alternative product, which is a not-so-obvious assumption of green marketing that, in my opinion, has not been fully verified. Green marketing can be risky, despite the fact that it is expanding significantly as more people are eager to support their environmental concern with their money.

The public tends to be skeptical of green claims to begin with and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company's other products or practices. Presenting a product or service as green when it's not is called green washing. Simply put, green cleaning is about using products that are safe and healthy for you and the environment and about employing eco-friendly cleaning practices, like reducing water usage. It's also about using products from conscientious companies with sustainable business practices.—"Green" is an umbrella term that refers to products and practices that are organic, sustainable and/or otherwise environmentally friendly. A product may be considered —green if it:

- Conserves water and energy
- Prevents contributions to air, water and land pollution

- Protects indoor air quality
- Uses renewable, responsibly sourced materials
- Produces little environmental impact
- Is manufactured in an environmentally conscious way
- Using one's own bag, rather than a plastic carrier provided by a shop.

Broad and fairly ambiguous, the terms —"green" and —"eco-friendly" may be misleading. For example, a product labeled —"green" may have been responsibly sourced but may not necessarily be organic. What's more, some manufacturers have been known to intentionally mislead consumers in a practice known as —"green washing". Products and businesses that have been green washed may appear to be eco-friendly, but upon closer inspection, often amount to little more than a well-executed green marketing campaign.

BENEFITS OF GREEN MARKETING

Today's consumers are becoming more and more conscious about the environment and are also becoming socially responsible. Therefore, more companies are responsible to consumers' aspirations for environmentally less damaging or neutral products. Many companies want to have an early-mover advantage as they have to eventually move towards becoming green.

Some of the advantages of green marketing are,

- It ensures sustained long-term growth along with profitability.
- It saves money in the long run, though initially the cost is more.
- It helps companies market their products and services keeping the environment aspects in mind.
- It helps in accessing the new markets and enjoying competitive advantage.
- Most of the employees also feel proud and responsible to be working for an environmentally responsible company.

LITERATURE REVIEW

A study by Peter Kangis (1992), proposes that the challenges both for marketing specialists and for consumers, raised by the concept of green marketing, are due to several issues, such as the lack of an acceptable definition for green marketing, the absence of a clear understanding of cause-and-effect relationships in matters affecting the environment, and the overt and covert reasons for concern about such issues. Suggested that, in the hands of unscrupulous marketers, green marketing can turn into green gold. An important study by Vasanth kumar N. Bhat (1993) suggests since inputs, manufacturing processes, distribution, use and disposal methods are decided during the design stage, any company venturing out with a green marketing program must start with green design. Presents source reduction and waste management strategies to cut down wastes, and also presents a method to compare green design alternatives which can provide designers with guidance to select superior designs. As a product must meet several criteria, suggests a concurrent rather than sequential product development approach. Concludes with tips for top management to improve green design in their organizations. Another study by John Grant (2008) aims to look at how companies obtain a greener strategy and what is the future of green marketing. A study by Elham Rahbar (et al, 2011) proposes to determine the effect of green marketing tools on consumer's actual purchase behaviour in case of Penang (Malaysia). A survey was carried out on 250 Chinese, Malay, Indian and other races that represent the Penang population. Factor analysis, Cronbach alpha and multiple regression were used to identify factors impact on Penang consumers actual purchase behavior. The result revealed that customer's trust in eco-label and eco-brand and their perception of eco-brand show positive and significant impact on their actual purchase behavior. According to Hallin (1995) and McCarty and Shrum (2001), people engage in environmental behavior as a result of their desire to solve environmental problem, to become role models and a belief that they can help to preserve the environment. However,

consumers' indications of positive attitude towards environmental issues do not necessarily lead to actual environmentally friendly purchasing behavior (Laroche et al., 2002). Majority of consumers do not purchase products based on the environmental concern alone and they will not trade-off other product attributes for a better environment. Businesses and consumers today confront one of the biggest challenges – to protect and preserve the earth's resources and the environment. They have become more concerned with the natural environment and are realizing that their production and consumption purchasing behavior will have direct impact on the environment (Laroche, Bergeron, and Barbaro-Forleo, 2001). This awareness is congruent with the belief that the world's supply of natural resources is finite and the ecological balance of the environment may be at a critical disruption stage (Hayes, 1990). In addition, the great majority of our environmental problems – excess garbage, pollution, waste of energy and material, etc. are the result of consumers' consumptive behaviors.

OBJECTIVES

The aim of this study is to find out how consumer behavior is influenced by Green Marketing by Companies. To exhibit the challenges being faced by companies pursuing green marketing. To study the relationship between consumers' attitude and perception towards green marketing To analyze consumer's willingness to pay high for green products.

RESEARCH METHODOLOGY

Data collection

Sample method

Primary data: Primary data was collected through questionnaires, for which Google form was created and send to the respondents of Hyderabad. The questionnaire contained questions -asking like your purchase decision is affected by green marketing activities of the company, repurchase decision is affected or not, how much extra you are ready to pay etc.

Secondary data: Data collected from books, journals, articles, internet, etc.

Sample Size- A survey of about 200 consumers belonging Hyderabad was considered for the study. They are familiar with the purchase of these products and also responsible for the purchase decisions.

DATA ANALYSIS

Likert 5 point scales were used in all measures. In order to achieve the objective of the study, the statistical tool has been used to analyze the data.

FINDINGS

- 1) 80% of respondents are aware of green products
- 2) 40% can pay more for ecofriendly products
- 3) 70% have agreed that there is enough information about the products while 30% not.
- 4) 50% of the population in the sample agrees or strongly agrees that the organizations should practice green marketing.
- 5) Majority of the people are not concerned about organizations polluting environment as 58% are neutral regarding the issue.
- 6) 70% customers are not affected by green marketing while making purchasing decision and 30% are affected.
- 7) 65% buyers prefer to repurchase such products which are green and 35% are not affected.
- 8) Survey Questionnaires provided to reflects a social consciousness around respondents: saving and advancing the Earth's natural.

The consumers are becoming more aware and conscious about the health. The consumer are preferring to buy ecofriendly products which gives the health benefits to the consumers. The consumers are also ready to pay more value for the ecofriendly products. In short Green marketing encourages consumers to use eco-friendly products and manufacturers to develop more. The awareness about the products should be done through advertising so that individual buying behavior can be changed which can have an impact on the welfare of the environment. It is also important that companies aiming at developing new eco-friendly products should ensure that products perform competitively.

Challenges of green marketing Green products require renewable and recyclable material, which is costly requires a technology, which requires huge investment in R & D Water treatment technology, which is too costly Majority of the people are not aware of green products and their uses Majority of the consumers are not willing to pay a premium for green products.

CONCLUSION

The financial side of marketing shouldn't be ignored while promoting green products. The effects of green marketing must be understood by marketers. Think again if you believe that consumers are unconcerned with environmental issues or that they won't pay more for things that are more environmentally friendly. You must look for ways to improve the functionality of your product, increase client loyalty, and raise the price. Green marketing is still in its infancy, and much research must be done on it before its full potential can be realized. The consumers are becoming more aware and conscious about the health. The consumer are preferring to buy ecofriendly products which gives the health benefits to the consumers. The consumers are also ready to pay more value for the ecofriendly products. In short Green marketing encourages consumers to use eco-friendly products and manufacturers to develop more.

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