Consumer Awareness and Consumer Perception towards Green Buying Decisions: An Empirical Study in Bangalore

Harshith Babu V S, Vijaya Kumar J, Venkatesh B R

Abstract: Green marketing refers to the process of selling the products and services based on their environmental benefits. Green marketing is typically practiced by companies that are committed to sustainable development and corporate social responsibility. The obvious assumptions of green marketing are that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly. The main purpose of the study is to measure the relationship among consumer awareness, consumer perception and consumer buying decision with regard to green marketing practices carried out by ITC LIMITED. The findings reveal that there is a positive relationship between consumer awareness, consumer perception and consumer buying decision with regard to green marketing.

Keywords: Consumer awareness, Consumer perception, Green Marketing.

I. INTRODUCTION

In early 1980's, there have been natural issues, for example, a dangerous atmospheric deviation, the nursery impact, contamination and atmosphere changes which are straightforwardly identified with mechanical assembling and this will keep on influencing human's exercises. Henceforth Green promoting developed so as to save the earth while fulfilling customers, inclinations so long-haul benefits can be made in organizations. Green promoting is additionally named as natural showcasing or environmental advertising. As indicated by American affiliation, promoting of items which should be earth safe is called as green advertising. In this manner, wide scope of exercises is secured under green showcasing which incorporates item changes, creation measure, bundling cycle and promoting. Because of the quick changing environment, a significant worry for the individuals is to protect the mother earth. To have a feasible, contamination free condition, it is incomparable to execute the idea of green promoting. Green advertising is developing as a mainstream limited time, methodology inferable from expanded customer mindfulness and concerns. The conspicuous supposition of green showcasing is that potential customers will see an item or administration's "greenness" as an advantage and base their purchasing choice in like manner. The not really evident supposition that will be that purchasers will pay more for green items than they would for a less-green practically identical elective item. ITC ltd is one among the best ten organizations in India rehearsing green promoting. It was set up in 1910. It has five expanded organizations which are quick moving customer merchandise, lodgings, paper pontoons and forte papers, bundling, Agri-business and data advances. ITC's attention is on being a carbon-positive, water-positive, zero-strong garbage removal association drives it to continually create methods of decreasing, reusing and reusing.

II. REVIEW OF LITERATURE

Shuba.N (2019) found that underlined that in India green marketing is in initial stages. Consumers are not aware of green initiatives undertaken by various government and non-government agencies signifying need for more efforts from organization in this regard. Green marketing should be pursued with greater vigor as it has environmental and social impact. Green marketing should help protect environment for future generation.

Prof. Jaya Tiwari discusses that green marketing is still in the stage of childhood in the Indian companies. It will come with drastic change in the world of business if all nations will make strict rules because green marketing is essential to save the world from pollution. Indian market customers too are ready to pay premium price for green products. There is a need for green marketing and a need for a shift in the consumers' behaviour and attitude towards more environment friendly life style.

Ravinder Kaur (2017) has explained that Eco-label will be considered as a major tool for Environmental marketing. The government, the organizations and the customers have to put hands together in creating awareness of eco-friendly products. Marketing was to think how to make more consumption and green marketing is when we think how to consume less.

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Harendra Pal Singh Chauhan and Dr. Ramesh Chaturvedi (2015) found that the earlier perception of industry towards green marketing was that the pressure for marketing was that the pressure for making business environment and behaving in a more responsible manner especially comes from government and its legislations. Now perception is changing globally as studies performed on consumers reflect that in most countries' consumers are becoming more aware and willing to act on environmental concerns.

Consumers prefer eco-environment friendly products and they are ready to pay extra price for such green products.

Mrs.B.Chitra (2015) identified that green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. Marketers must find an opportunity to enhance the product's performance and strengthen the customer's loyalty and command a higher price.

Babita Saini (2014) found that recycling of paper, metals, plastics etc., in a safe and environmentally harmless manner should become much more systematized and universal. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment.

Sangeetha (2015) suggests maximum threat to the environment is posed by improper waste disposal, automobiles and vehicles and manufacturing units. However, adoption of green marketing can definitely contribute to the protection of the environment. Consumers, industrial buyers and suppliers need to pressurize effects on minimize the negative effects on the environment. Green marketing assumes even more importance and relevance in developing countries like India.

Wongfui Yeng and Rashad Yazdanifard (2015) found that green marketing is able to preserve the environment while satisfying customers' needs. Therefore, green marketing is a tool now used by many companies to increase their competitive advantage as people are presently very concerned about environmental issues. Green marketing is not only an environmental protection tool but also a marketing strategy.

Prashanth Kumar (2015) identified that supporting environmental protection, drive for environmental responsibility, green product experience, environmental friendliness of companies and social appeal are the important factors that affect green product purchase decisions. **Sudipta Majumdar (2018)** inferred that to popularize the use if green cosmetic products, the producers need to focus on two points: a) the prices of the green cosmetic products should be kept in reasonable range b) to market the green products to higher income group and educated customers.

III. OBJECTIVES OF THE STUDY

The following are the objectives considered for the study. They are:

1. To study the demographic profile of consumers.
2. To measure the relationship between consumer awareness, consumer perception and consumer buying decision with respect to green marketing.

IV. HYPOTHESIS

The Hypothesis are framed on the basis of variables identified from the objective. They are as follows:

Hypothesis 1: There is no association between gender and annual income of consumers.

Hypothesis 2: There is no significance difference between age and consumer perception.

Hypothesis 3: There is no significant difference between gender and consumer awareness.

Hypothesis 4: There is no relationship between consumer awareness, consumer perception, environmental concern and consumer buying decision.

V. RESEARCH METHODOLOGY

The type of research carried out for the study are descriptive and empirical. The study is initiated with in-depth examination of related secondary data. The sources of data that will be used in the research are secondary and primary data. The secondary data are collected from books, research reports, websites and peer referred journals that are indexed in UGC and Scopus. After a thorough extensive review of literature, suitable independent and dependent variables are selected. The primary data is collected using survey method. The instrument used for collecting the primary data is through structured questionnaire with the help of google forms. The sampling design used in the research is Non-probability sampling. The sampling method that will be carried out for the research is convenience sampling method. The measurement of scales or scaling types considered for demographic variables like gender, age, education qualification, occupation, marital status and annual income, etc., will be nominal scale. A five-point Likert's scale will be used for independent variables like consumer awareness, consumer perception and environmental concern and dependent variables like consumer buying decision where '1' and '5' indicates a least and most agreed statement respectively. A sample size of 119 consumers is collected from Bangalore city for further analysis. The analysis of primary data will be done using SPSS (Statistical Package for Social Science). In the present study both parametric and non-parametric test will be used. The statistical tools like chi-square test, Mann-Whitney U test, Krushkal Wallis test and correlation will be used for testing the hypothesis, draw finding and interpretation.

VI. ANALYSIS AND INTERPRETATION

The analysis of data includes descriptive analysis and inferential analysis. It is carried out using SPSS software. The summary of descriptive information of ITC consumers with respect to green marketing are as follows:

TABLE I: Descriptive statistics of ITC consumer with respect to Green Marketing

Variable	Measure	Frequency	%	Variable	Measure	Frequency	%
Gender	Male	67	56.3	Age in years	Below 25	90	75.6
	Female	52	43.7		25-35	11	9.2
Education qualification	Graduate	46	38.7		35-45	10	8.4
	Non graduate	9	7.6		Above 45	7	5.9
	Post graduate	64	53.8	Occupation	Student	82	68.9
Marital status	Single	100	84		Employed	24	20.2
	Married	19	16		Others	13	10.9
				Annual income (Rs. In Lakhs)	Below 2	24	20.2
					2-5	19	16.0
					5-10	10	8.4
					Not applicable	66	55.5
	Total	119	100		Total	119	100

From the above table, we can interpret that 56.3% are male ITC consumer. It is also observed that 53.8% are having post graduate as their education qualification. Then, it is found that 75.6% of ITC consumer fall in the age group below 25 years. The least percentage of ITC consumers are home makers.

A. *Hypothesis 1:*

H_0: There is no association between gender and annual income of ITC consumers.

H_1: There is association between gender and annual income of ITC consumers.

Table II: Chi-square test for Independence of attributes between Gender and Annual Income of employees

Gender	Annual income in lakhs				Total	Chi-square	P value
	Below 2	2-5	5-10	Above 10			
Male	17	14	9	27	67	15.365	0.002
female	7	5	1	39	52		
Total	24	19	10	66	119		

Interpretation: Since p value is less than 0.05, the null hypothesis H_0 is rejected at 5% significance level. Hence, we conclude that there is association between gender and annual income of ITC consumer.

B. *Hypothesis 2:*

H_0: There is no significant difference between age and consumer perception with regard to green marketing of ITC consumers.

H_1: There is significant difference between age and consumer perception with regard to green marketing of ITC consumers.

TABLE III: Krushkal-Wallis test for significant difference between age and consumer perception

Age group in years	size	Mean rank	Chi-square value	P value
Below 25	90	62.05	2.7929	0.425
25-35	11	48.77		
35-45	10	47.85		
Above 45	7	60.29		
Total	118			

Interpretation: Since P value is greater than 5% significance level the Null hypothesis H_0 is accepted at 5% significance level. Hence, we conclude that there is no significant difference between age and consumer perception

C. *Hypothesis 3:*

H_0: There is no significant difference between gender and consumer awareness with regard to green marketing practiced by ITC ltd.

H_1: There is no significant difference between gender and consumer awareness with regard to green marketing practiced by ITC ltd.

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Table IV: Man-Whitney U test for significant difference between Gender and consumer awareness

	Gender	Size	Mean rank	Z value	P value
Consumer awareness	Male	67	67.51		
	Female	52	50.32	2.712	0.007
	Total	119	117.83		

Interpretation: Since P value is less than 0.05, the Null hypothesis H_0 is rejected at 5% level of significance.

Hence, we conclude that there is significant difference between gender and consumer awareness with respect to green marketing practiced by ITC ltd. We also infer that by comparing the mean rank male consumers are having better awareness of green marketing practiced by ITC ltd than female consumers.

D. *Hypothesis 4:*

H_0: There is no relationship between consumer awareness, consumer perception, environmental concern and consumer buying decision with regard to green marketing of ITC consumers. H_1: There is relationship between consumer awareness, consumer perception, environmental concern and consumer buying decision with regard to green marketing of ITC consumers.

TABLE V: Correlation for relationship between consumer awareness, consumer perception, environmental concerns, consumer buying decision

	Consumer awareness	Consumer perception	Environmental concern	Consumer buying decision
Consumer awareness	1	0.595**	0.238**	0.395**
Consumer perception	–	1	0.282**	0.620**
Environmental concern	–	–	1	0.189*
Consumer buying decision	–	–	–	1

Note: ** Denotes correlation is significant at the 1% level (2-tailed)
   * Denotes correlation is significant at the 5% level (2-tailed)

Interpretation: Since the p value is less than 0.05, the null hypothesis H_0 is rejected at 5% level of significance. Hence, we conclude that there is relationship between consumer awareness, consumer perception, environmental concerns, and consumer buying decision. The correlation coefficient of consumer awareness and consumer perception is 0.595 which indicates that 59.5% positive relation between consumer awareness and consumer perception. Similarly, correlation coefficient of consumer awareness and environmental concern is 0.238 which indicates that 23.8% positive relation between consumer awareness and environmental concern. The correlation coefficient of consumer awareness and consumer buying decision is 0.395 there is 39.5% positive relation between consumer awareness and consumer buying decision. The correlation coefficient of consumer perception and environmental concern is 0.282 which indicates that 28.2% positive relation between consumer perception and environmental concern. Likewise, correlation coefficient of consumer perception and consumer buying decision is 0.620 which indicates that 62% positive relation between consumer perception and consumer buying decision. The correlation coefficient of environmental concern and consumer buying decision is 0.189 which indicates that 18.9% positive relation between environmental concern and consumer buying decision.

VII. FINDINGS

The findings of the study are made using non parametric test like Man-Whitney U test and krushkal-wallis test and parametric test like correlation. From descriptive analysis, it is found that 56.3% are male ITC consumer. It is also found that 53.8% are having post graduate as their education qualification. Then, it is found that 75.6% of ITC consumer fall in the age group below 25 years. The least percentage of ITC consumers are home makers. The findings from Man-Whitney U test indicate that there is significant difference between gender and consumer awareness with respect to green marketing practiced by ITC ltd. It is also inferred that by comparing the mean rank male consumers are having better awareness of green marketing practiced by ITC ltd than female consumers. The findings detected from krushkal-wallis test show that there is no significant difference between age and consumer perception. The findings observed from correlation test says that there is relationship between consumer awareness, consumer perception, environmental concerns, and consumer buying decision. It is found that there is 62% positive correlation between consumer perception and consumer buying decision. We can infer that if a company focus on creating positive perception among consumers, the company can influence the consumers in buying their products. It is found that there is 59.5% positive correlation between consumer awareness and consumer perception. We can infer that if a company can create a better awareness about products developed from green marketing concept, the consumers will have a better understanding about the products. It is observed that there is 18.9% positive correlation between environmental concern and consumer buying decision. From this we can infer that the company should take more effective measures in creating environmental importance among the consumers.

VIII. CONCLUSION

The perception of consumers on specific company and brand varies from time to time. It is observed that very limited number of research work has been done on green marketing.

The main aim of the study is to identify and measure the relationship between consumer perception, consumer awareness and consumer buying decision with respect to green marketing practices toward ITC Company. The findings confirm that there is positive correlation between consumer awareness, consumer perception and consumer buying decision with respect to green marketing practices.

Further, the researchers observe a lot of scope for ITC company to produce and market their green products to a higher number of consumers.

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