Influence of Green Marketing on Consumer Behavior: A Realistic Study on Bangladesh

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Keywords: consumer behavior, green marketing, green products.

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Influence of Green Marketing on Consumer Behavior: A Realistic Study on Bangladesh

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Abstract: This study aims at looking into consumer perception towards green values created by the green marketing efforts by the promoters and its impact on their purchasing behavior of eco-friendly sustainable products. This study also highlights the resolution of the efforts set by marketers in promoting green brand awareness in the consumer’s mind relative to the non-green products. It further highlights the consumer perception and the impact of green marketing communication to see how consumers are influenced to opt for green products. The study includes the result of a consumer product and green marketing survey using a questionnaire devised by the authors on the basis of several types of research carried in the field. This study holds that despite there is a lot of scope in Bangladeshi market for green products to be utilized more within consumer groups that have pro-environmental preferences, green product marketing communication isn’t revealing enough to consumers. The study urges that the greater use of marketing and brands to promote and sell products that are environmentally favorable and function effectively.

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I. Introduction

Now environmental awareness has not merely become a global interest, as well as a demanding issue in academic research. The green issue has fostered a positive change in the behavior of consumers since 1970s (Linda F. Alwitt, 1996). This change has induced a significant upset in the perceptual experience of consumers with a rising concern for the preservation and prevention of any further damage to the environment. Admittedly green marketing is an effort to reduce these disturbing impacts on our environment through installing a new course of green concept through designing, producing, packaging, labeling and consuming products that are eco-friendly.

Companies often apply different strategical approaches toward different parts of the industry to gain competitive advantages via repositioning consumer perception through innovative green products (Elham Rahbar, 2011). In past few years, the concept of green marketing has only been highlighted over the packaging and labeling of product and incentive strategies. An assessment should be carried out to know about how different organizations are putting their effort in green activities.

Purchase decision making process of a consumer usually consists of five stages: the felt need of a benefit, information search, evaluation of alternatives, purchase decision and post-purchase evaluation. In this process of consumer purchase decision, several factors like social, cultural, psychological, behavioral, marketing mix and situations, all effect at some point.

Both parties, the organizations and consumers have a responsibility toward environmental issues and they participate in the process by delivering and purchasing of green products. Here, the fact should be noted that environmental commitment and participation in green activities are two separate issues, both the organizations and consumer has a vital role to play here, but consumer decision is the most crucial because they motivate producers to deliver green products (Suplico, 2009). It is a common sense that consumers won’t buy such product that is harmful to human health, environment, plants, animals and any natural resources (Lee, 2008).

Learning these facts might play an influential role in the change of consumer purchasing behavior and create a positive perception toward environmentally friendly products. Consequently, research is important in particular geographical, sociological, situational and time settings (Elham Rahbar, 2011).

Several studies have investigated the change in the consumer’s perception, where people are caring about the environment will demonstrate their concerns through different behaviors, such as avoidance of buying a product because it is potentially harmful (Suchard & Polonsky, 1991).

II. A Review of the Research Literature

Several researchers have attempted to find a way to preserve the environment. Many perceived that there is a keen relation between behavioral characteristics, demographic characteristics,
psychographic characteristics, geographic characteristics of the consumers and that might be the solution to preserving the environment (Granzin & Olsen, 1991).

After assessing the factors that are influencing, studies shows that the psychological and social factors have a more persuasive influence on consumer's behavior than demographic factors (Pickett, Kangun, & Grove, 1995). Besides, Pickett et al. (1995) also admitted in their study that people display distinctive behavior if these factors are influenced anyway and will help in developing strategies for green marketing.

Marketers must focus on environmental awareness in organizations and develop strategic green marketing activities and promote those activities in order to gain new footing. This will draw the consumers have a new perception toward the product (Mendelson, 1994).

Today, many companies are pursuing their effort to preserve the environment by delivering products that are environment-friendly. For this purpose, products and producing process has become greener as they realized that going green and profits aren't contradictory to each other (Hart, 1997, p. 67). Green marketing is providing an opportunity to be innovative in a way that will assist them to make profits and contribute toward the green planet (Grant, 2007, p. 10). Though business often causes damage to the environment in several ways, whether it is directly or indirectly, now there is a raising phenomenon of recognizing environmental friendly sustainable operations. Especially MNCs (Multinational Companies), possesses enough resources to put green activities in motion, they should come forward (Tjärnemo, 2001, p. 29).

To put it in a simple term, marketing refers to "working in the market", in order to deliver the benefits that will meet the needs of consumers at large. But the term green marketing is not all about satisfying consumer needs or improving the living standard, it's about preserving the ecosystem, it's about defending against ecological damages we already caused by industrial advancement (Polonsky, 2011). Recently, green marketing gained a significant coverage within the world-wide media. It seems that both the personal and organizational buyers are becoming more and more aware of environmental sustainability and showing interest to conserve it (Elham Rahbar, 2011).

In 1976, a workshop organized by the AMA (American Marketing Association) namely "A Guide to Ecological Marketing", tried to gather a bunch of specialists to appraise the impact of marketing on the environment (Kinoti, 2011). At this workshop, green marketing was defined as "the study of the positive and negative aspects of marketing activities on pollution, energy depletion, and non-energy resource depletion" (Delafrooz, Taleghani, & Nouri, 2014).

Though several researchers have given different definitions of green marketing from different perspectives, according to the AMA, there are 3 ways to define Green Marketing (Prakash, 2002):

a) Retailing Definition: The marketing of products that are presumed to be environmentally safe (Prakash, 2002).

b) Socially Marketing Definition: The development and marketing of products designed to improve the physical environmental condition by preserving it from further damage (Prakash, 2002).

c) Environmental Definition: The organizational effort to develop, promote, package and restore products in a way which supports ecological concerns (Prakash, 2002).

The concept of green marketing has been developed over the time, can be divided into different eras with very definite characteristics of changing demands on the basis of environmental requirements.

The very first era lasted till the early 1970s, namely ecological green marketing era, really focused on external problems of the environment (e.g. Air & water pollution). The second era took off in the late 80s, namely, green environmental marketing era infused several new concepts with the past focused area, such as developing clean technology, ensuring sustainability, looking out for a consumer and trying to attain competitive advantage etc. (Peattie & Crane, 2005).

The core difference between first and second eras was that the first era was focused on the effectiveness of the industries on the environment, but the second era included all services and manufacturing methods under environmental marketing (Peattie & Crane, 2005).

The third era, sustainable green marketing, concentrated on empowering strict rules of the state, which the second era couldn't continue. Since then, a sustainable development in the arena of marketing made a great influence over the economy (Delafrooz, Taleghani, & Nouri, 2014). For instance, the "environmental technology" created by the Toyota was not just because of law enforced them to do so, but also due to the demand from a unified product line for the next generation cars like electric–combustion hybrids (Delafrooz, Taleghani, & Nouri, 2014).

In that respect are several tools being used for the green marketing purpose. Knowledge about these green marketing tools (e.g. eco-label, eco-brand, environmental advertisement) will help to establish an easier perception toward green product attributes and features. Moreover, it'll help to consumers to identify and purchase the green products. Use of such policy tools influences the consumer perception and conduct in purchasing green products (Elham Rahbar, 2011).

In accordance with Hartmann and Ibáñez (2006), usually, the intensity level of cognitive
persuasion strategies is the main focus of green marketing. Besides, they think that the reason behind consumers, increasing high involvement in choosing environmentally friendly products is the growing environmental awareness among people.

But the Ginsberg and Bloom (2004) claims that none of the marketing tools is fit for all types of firms. They rather suggested that, based on different market, different strategies should be traced, as the environmental awareness varies in degree from markets to markets.

So, it’s clear that an assessment of the consumers’ perception and awareness of the green concept would be useful to the marketers, although, this study highlights the consumer perception toward the green marketing.

Understanding of this theme “Consumer perception and purchase behavior” is highly significant, consumers and the environment, both are keenly interrelated. This is because, at some point, consumers and environment can influence each other directly or/and indirectly. Consequently, changes in any relevant element in the costs or savings can hit the economy (Delafrooz, Taleghani, & Nouri, 2014).

According to Philip Kotler (2013), the final consumer behavior during the moment of purchasing something is the consumer purchasing behavior. He identified four sorts of purchase behavior: normal, complex, variety seeking and tension reducing purchase behavior.

Though different assumptions regarding consumer behavior suggest that they take environmental facts quite seriously while purchasing, but in their activities, it is usually cannot be caught or noticed (Delafrooz, Taleghani, & Nouri, 2014).

Perception of consumer behavior or "Knowing/understanding customers" is not so easy as we may appear to be perceived. Most often, consumers express their needs and expectations on the basis of situations and the fashion of expressing varies rapidly. Sometimes, consumers are not yet aware of their inner motivations or the factors that influencing that can change their opinion at the moment of purchasing. But it is really important for the marketers to investigate and survey their consumer needs very subjectively to understand their perception, needs, expectations and finally their behavior during purchase (Kotler P., 2012).

III. AIMS & OBJECTIVES

This study aims at looking into consumer perception toward green values created by the green marketing efforts by the promoters and its impact on their purchasing behavior of eco-friendly products.

Moreover, Green marketing evolution is spreading around Bangladeshi market rapidly and the concept has had a radical influence on increasing environmental awareness among consumer population and changing consumer perception toward green marketing practices and products as well. Thus, the study also has following objectives to fulfill –

1. To study the level of awareness of Bangladeshi consumers about green products and patterns.
2. To measure the green values of the customers.
3. To study the perception of Bangladeshi consumers toward green products and marketing practices.
4. To study the preferences of Bangladeshi consumers about green products and marketing practices.
5. To recognize the factors that influence the customer percussion to buy green products.
6. To explain the issues and challenges of green marketing practices in Bangladesh.

IV. METHODOLOGY

The study tried to explore the consumer’s perception of green marketing and measure the correlation between consumer purchase behavior and green marketing tools, consumer attitude and the green concept of marketing, and consumer purchase intention and green marketing. The study applied an analytical model of investigation, a questionnaire survey and regression analysis to guide the study productively. As an applied research, the study aims at solving existing problems within the organization and individuals to make them more concerned about the concept of “Going Green”.

Both secondary and primary data have been compiled and analyzed with a view to examining the research objectives. The first phase of the study was an extensive search for relevant scholars’ articles, books, reports to set the boundary of the subject area. The study was extended out in different cities of Bangladesh. The primary data was gathered via a questionnaire prepared by the authors with an extensive support from different studies and researches. The questionnaire comprises 4 sections respectively demographic data, knowledge base data, behavioral data, and questions regarding the indicators scale which sub-sectioned by Consumer Attitude, Purchase Intention, and Purchase Behavior. The first section includes the demographic data like name, age, annual income etc. The second section of the questionnaire includes the knowledge base data of the respondent to understand the knowledge regarding the green concept. In the third section, three points Likert scale (3, 2, 1) technique was used to quantify the variables. This information includes the perception of the respondent toward the green concept (e.g. the green marketing tools, green products and general conduct of the respondent). Finally, the fourth section includes a seven-point Likert scale (7, 6, 5, 4, 3, 2, 1) technique to measure the variables. Each proposition in this section/ sub-section is numbered as a variable and most of the propositions are devised in a...
positive scale. In the empirical analysis of all positive propositions, if respondent gets on an average a high mark (above 3) i.e. towards agreement means that the respondents are in right perspectives.

The statistical methods used in the analysis were: Means, Coefficient of the Variables, Standard Deviations and Regression methods. Means and Standard Deviation is used to analyzing the average level of perception of the respondents. The multiple methods are used to explaining the variation in the dependent variables with respect to the given a set of independent variables.

On the basis of the reviewed literature, following hypotheses were generated to be verified by statistical analysis.

Table 1: List of Hypothesis

<table>
<thead>
<tr>
<th>SL</th>
<th>H₀ / Null Hypothesis</th>
<th>H₁ / Alternative Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Consumers have a positive perception toward green products.</td>
<td>Consumers have a negative or neutral perception toward green products.</td>
</tr>
<tr>
<td>02</td>
<td>Consumer attitudes are positively influenced by the green marketing activities.</td>
<td>Consumer attitudes are negatively or neutrally influenced by the green marketing activities.</td>
</tr>
<tr>
<td>03</td>
<td>Consumer purchase intentions are positively influenced by the green marketing activities.</td>
<td>Consumer purchase intentions are negatively or neutrally influenced by the green marketing activities.</td>
</tr>
<tr>
<td>04</td>
<td>Consumer purchase behaviors are positively influenced by the green marketing activities.</td>
<td>Consumer purchase behaviors are negatively or neutrally influenced by the green marketing activities.</td>
</tr>
</tbody>
</table>

V. Findings & Analysis of Study

The questionnaire survey conducted to test our hypothesis included a small sample from different districts of the country and included 384 respondents who were willing to share their perception and contribute toward our study. The results of the study are given as follows.

Table 2: Reliability Test of data

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach Alpha</th>
<th>No of Items</th>
<th>Revised Alpha</th>
<th>Revised No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Behavior Base</td>
<td>.622</td>
<td>9</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Consumer Attitude</td>
<td>.891</td>
<td>4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>.783</td>
<td>10</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase Behavior</td>
<td>.819</td>
<td>6</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Reliability is standard when the alpha value is above .6 and below .7, though there is an argument. But an alpha value more than .9 is considered as an arbitrary number of variables are taken into considerations, which means the number of questions we considered in the article is more than necessary.

Table 3: Descriptive Statistics Data

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Behavior Base</td>
<td>1.5017</td>
<td>.35619</td>
<td>.513</td>
<td>-.420</td>
</tr>
<tr>
<td>Consumer Attitude</td>
<td>5.1752</td>
<td>1.09721</td>
<td>-.713</td>
<td>.260</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>4.9863</td>
<td>1.23456</td>
<td>-.513</td>
<td>.011</td>
</tr>
<tr>
<td>Purchase Behavior</td>
<td>5.2196</td>
<td>1.17381</td>
<td>-.573</td>
<td>.094</td>
</tr>
</tbody>
</table>

Variability Analysis helps us to understand the distance between the mean scores of the items used to compute the variables. The most common measure of the variability is the Standard Deviation. It tells us the differentiation between the scores of the items used in variables.

To check out the normality of the data used in the study we have conducted a normality analysis (Skewness & Kurtosis). As the standard usually goes that the skewness value is acceptable if it lies between -1 to +1 and the kurtosis value is acceptable if the value lies between -3 to +3. But there is an argument that both values are acceptable if they lie between -3 to +3.

Table 4: Pearson Correlation

<table>
<thead>
<tr>
<th>Variables</th>
<th>Green Behavior Base</th>
<th>Consumer Attitude</th>
<th>Purchase Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Behavior Base</td>
<td>- .393**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Attitude</td>
<td></td>
<td>.729**</td>
<td></td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>- .305**</td>
<td></td>
<td>.692**</td>
</tr>
<tr>
<td>Purchase Behavior</td>
<td>- .257**</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
Considering the normality of data used for the purpose of this study we have conducted a Pearson correlation analysis assuming the data set used are normal. Here we can see that when significance level is .1, most of the variables have a strong correlation. Neither of the variables shows any moderate level of correlation. But when significance level is .01, there is a weak correlation that we presented on the above table 3 with one *

Table 5: Regression Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>β</th>
<th>t - level</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Behavioral Base</td>
<td>.042</td>
<td>1.186</td>
<td>.237</td>
</tr>
<tr>
<td>Consumer Attitude</td>
<td>.508</td>
<td>10.292</td>
<td>.000</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>.340</td>
<td>7.135</td>
<td>.000</td>
</tr>
</tbody>
</table>

Here, R² = .600, F= 187.326, df = 377, No of IV =3.

Regression Analysis helps to examine the impact of one variable on another variable and check the impact of independent variables on the dependent variables. The value of R is taken from the table of model summary, and value of df and F is taken from ANOVA test table while data analyzed by the SPSS tool.

VI. Discussion of Findings

The correlation test shows that there is a weak negative correlation with the green behavioral base and other three variables consumer attitude, purchase intention and purchase behavior. This suggests that green marketing activities have no influence on the consumers’ behavior. But consumer attitude has a strong positive correlation between the purchase intention and purchase behavior of consumers. This suggests that consumer is highly influenced by the attitude they have on the product and what they intend to purchase or what they need at the point of purchase decision. Again, there is strong positive correlation exists between the consumer purchase intention and purchase behavior, suggesting that consumers are highly influenced by the intention, explaining that purchase behavior actually depends on the situational factors.

The regression analysis shows that the consumer attitude towards the product is the main influencing factor in consumer purchase decision making (beta value = .508). Purchase intention of the consumer is next (beta value = .340), and the green behavioral base shows the least influence over the forecasting purchasing behavior.

The first hypothesis examined the consumer’s attitude toward the green products, revealed that consumers have a mixed understanding of the green concept. As a new dimension of environmental perseverance, the concept is new to the Bangladeshi consumers. Even the consumers are aware of the environmental degradation, they lack the knowledge of green products and most importantly some factors are considerably affecting the green concept like economic factors, situational and demographic factors, physiological factors.

The second and third hypotheses examined the influence of green marketing activities over the consumer attitude and purchase intention, shows that the green marketing activities have no significant influence over these factors alone. suggested Recommendations for the facts is to continue the environmental awareness among the consumers, for instance, what are the negative impacts of other products on the environment and how to keep the environment safe. Moreover, marketers should keep in mind that they need to provide a continuous awareness of products that is environment-friendly.

The green concept is a new color of thinking to the consumers of Bangladesh. To establish the concept in consumers’ mind compared with other environmentally harmful products, it’ll require training, knowledge, cultural integration and new technologies. Moreover, the economic factors should be availed to the massive consumer population to erase the costly green products. Moreover, government officials, producers, and knowledgeable people should assist in the matter to help each other to create a healthy green future. In addition, green products should come up with more innovative advertising, diverse range products, and lower prices to be fully appreciated.

The fourth hypothesis examined the influence of green marketing activities over the consumers purchase behavior, revealing that consumers are more influenced by the attitude they have on the product and the intention they have regarding the products.

From the survey on the samples regarding green marketing and its product, the study come out with four major factors influencing them on buying/using green products, i.e.,
Economic factors: Here the samples were so concerned about the affordability of the green product. Most of the green products are costlier than the regular products which are why they are worried about switching to green from their regular habits. Most of them have calculated the facts of benefits after differentiating the costing of extra money if they use the product and if they don’t use the product.

Psychological factors: Consumers are mostly affected by the psychological factors. Their psychology towards green products mostly categorized on how effective the green products are (effectiveness), if they can rely (trust) on these products for longer period or no; another focal fact is their knowledge and learning on the merits of green products varies in negative and positive ways even after educating them about it. Furthermore, they react on the green products after judging if that product is promoting their self-image negatively or positively and for this reason, they often don’t consider the quality of the products solely.

Situational/demographic factor: We all know that the situational and demographical factors affect in every aspect of buying decisions whether we buy green products or other non-green products. Here the same things happened with the samples of this survey. They really think that their buying decision may change depending on the availability of green and even if they have got the substitute of this. They concern about time factors if it takes them more time to go and collect the green product with desirable communication and if the product gives them the value they want after they face all hassles. In this segment, we found them really care about the value proposition of the product.

Environmental factors: When they think to switch to green from their regular choice, they first want to see if the product have the attributes of eco-system which leads them to think of the sustainability. When it comes to the price then the consumer’s first asking is the durability of the product as we know the maximum numbers of the consumer in the surveyed areas are not so sound financial which make them think twice before buying green. If the product is durable enough then they are ready to pay extra for that product (acceptability).

While conducting the survey, it is found that most of the respondents were actually responded in a similar manner. The response was comparatively positive as the study found. But due to their situational needs, they consider the available product. It’s not like they are not concerned about the green products, they are aware of the ecological needs but the products they are buying based on the products that are available to them when needed.

The formation of attitude and action is found to be dependents on the development of values however the impact these may have on behavior in a real-life condition.

Thoughts (cognitive function) and feelings (affective function) are directly impacted by the attitude people show hence impacting their overall perception of purchase related behavior. This identifies with the idea
that there is a need to change the overall attitude consumers have towards a product thereby impacting their decision making.

This scenario will apply to a green marketing context also. If one were to consider the Theory of Reasoned Action into account, then it can be postulated that marketers of green products change their method of evaluation of consumer attitude and intention to understand exactly what consumers really want. The new beliefs and normative beliefs of consumers can be identified in this manner.

Consumers’ level of awareness about green products found to be high but at the same time, consumers are not aware of green initiatives were undertaken by various government and non-government agencies signifying the need for more efforts from organizations in this regard. Responses were on the moderate positive level and we can conclude that consumers are not a skeptic about green claims of the organizations and consumers are concerned about the present and future state of environment signifying need for green products and practices. The results have implication for durable manufacturers especially to practice green marketing.

VII. Conclusion

The study suggests that marketers must come out with new and innovative ways to change the consumer’s perception of the green marketing. For instance, in a matter of the price, green products should be availed to the consumers at a much lower price to attract consumer base.

At the time of data collection, most of the responded conveyed that, they think that green products are mostly overpriced, which is true in most of the cases but what about herbal products? Those are yet cheap and popular among rural consumers. For increasing use of the green product, the marketer should lower the price level.

We must try to motivate their customer toward green marketing by different awareness program and provide information about the green products and its ecological benefit. The philosophy that underlies for the green marketing should be delivered in mass consumer bases.

Besides, for green marketing to be effective marketers must maintain three things: being genuine, educate their customers about green products, and give them the opportunity to participate in their social responsibility to save the green planet.

About the green marketing tool, eco-labeling and packaging should be highlighted over the eco-friendly features and information. Besides an international standard should be implemented to remove the doubt of minds from the consumers.

References Références Referencias


