

## A STUDY ON CONSUMER AWARENESS TOWARDS GREEN PRODUCTS IN THOOTHUKUDI

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### **Abstract**

*Green marketing is one of the emerging concepts in the marketing scenario. It has a great scope in marketing as it has direct link with the people. It refers to the process of selling products based on their environmental benefits. The evolution of green marketing practices started during the beginning of twentieth century. It was at that period when the companies started realizing the benefit of manufacturing green products. The manufacturing concern should produce the products in such a way that it does not harm the environment and gives consumer satisfaction. Green products can be measured in terms of products that are originally grown, products that are recyclable, reusable and bio- degradable products with natural ingredients, non- toxic chemicals, do not harm or pollute the environment, products that have eco-friendly packaging i.e.) reusable, refillable containers. Today the consumers across the globe are willing to pay premium price for green products. Therefore, there is a need for shift in consumers behaviour and attitude towards eco- friendly lifestyles. This paper aims to study the awareness over green products among consumers in Thoothukudi. It also explores whether the consumers in Thoothukudi are willing to pay premium price for green products.*

*Keywords: Green marketing, Consumer awareness, Green products.*

### **INTRODUCTION**

Most of the companies are venturing into green marketing because of the issues like Global warming and depletion of Ozone. Every individual being rich or poor would be concerned about the quality life and healthy environment. So are the corporate class, the corporates also use this an opportunity to gain profit. Green marketing practices have already started in many developing countries and developed countries are also successful in adopting

green concept. According to Peatie, the evolution of green marketing is seen to take place over three phases.

- Ecological Green Marketing – all marketing activities are concerned to help environment problem and provide solution for the problem.
- Environmental Green Marketing – focused on clean technology and green products which take care of pollution and waste.
- Sustainable Green Marketing – emphasis on progress towards greater sustainability. Products must have high sustainable value while satisfying the consumers and the stakeholders.

There are several organisations in India that follow green concept in their marketing strategies. Thoothukudi is a port city in the southern part of TamilNadu. It is a developed city with lots of industries, Airport and trading companies. This study aims to uncover the consumer awareness about green products and their willingness to pay premium price for green products in Thoothukudi.

#### **OBJECTIVES:**

- To study the awareness towards green products among consumers in Thoothukudi.
- To uncover the willingness of consumers to pay more for green products.
- To analyse the relationship between education and income with awareness of green products.

#### **RESEARCH METHODOLOGY:**

The present study is empirical in nature, based on primary and secondary data. Primary data were collected from 100 respondents based on snowball sampling among consumers in Thoothukudi with the help of questionnaire. Secondary data was collected from reports, journals, books, magazines and internet.

#### **REVIEW OF LITERATURE:**

Drozdenko, Jensen & Coelho (2011) in their study "Pricing of Green Products: Premiums paid, Consumer Characteristics and Incentives", proposed a model focusing on the factors influencing the consumers willing to pay for green products. The study found that the consumers are willing to pay for green products because of green product category, consumer own characteristics, price of green products, situational factors and monetary incentives.

Consumer characteristics act as an important factor in the adoption of green products. The situational factors and tax incentives were the main factors that make the consumer willing to pay premium amount for green products. The amount of incentive received by the people for the purchase of green products is always more than the premium amount paid by them.

### CONSUMER'S AWARENESS TOWARDS GREEN PRODUCTS IN THOOTHUKUDI

In order to find the consumer's awareness towards green products in Thoothukudi cross tabulation between awareness about green products with variables like Educational Qualification, Occupation and Income was done among the selected respondents in Thoothukudi.

**TABLE 1.1**

#### CROSSTABS SHOWING CONSUMER'S AWARENESS TOWARDS GREEN PRODUCTS AND EDUCATIONAL QUALIFICATION

| Educational Qualification |             | Awareness Towards Green products |        | Total |
|---------------------------|-------------|----------------------------------|--------|-------|
|                           |             | Yes                              | No     |       |
| SSLC Or Below             | Respondents | 0                                | 10     | 10    |
|                           | E.Q%        | 0%                               | 100%   | 100%  |
|                           | Awareness%  | 0%                               | 34.5%  | 10%   |
| Higher Secondary          | Respondents | 3                                | 8      | 11    |
|                           | E.Q%        | 27.28%                           | 72.72% | 100%  |
|                           | Awareness%  | 4.2%                             | 27.58% | 11%   |
| Graduate                  | Respondents | 36                               | 5      | 41    |
|                           | E.Q%        | 87.8%                            | 12.2%  | 100%  |
|                           | Awareness%  | 50.7%                            | 17.24% | 41%   |
| Post Graduate             | Respondents | 21                               | 4      | 25    |
|                           | E.Q%        | 84%                              | 16%    | 100%  |
|                           | Awareness%  | 29.8%                            | 13.8%  | 25%   |
| Professional              | Respondents | 11                               | 2      | 13    |
|                           | E.Q%        | 84.6%                            | 15.4%  | 100%  |
|                           | Awareness%  | 15.5%                            | 6.9%   | 13%   |
| TOTAL                     |             | 71                               | 29     | 100   |

Table 1.1 shows the relationship between Educational Qualification and awareness towards green products. It is inferred that 41 percent of the respondents are graduates among them 50.7 percent are aware about green products. 25 percent of the respondents are post graduates among them 29.8 percent are aware about green products. 13 percent of the respondents are professionals among them 15.5 percent are aware about green products. Respondents who have very low educational qualification are not aware of green products.

**TABLE 1.2**  
**CROSSTABS SHOWING CONSUMER'S AWARENESS TOWARDS GREEN PRODUCTS AND OCCUPATION**

| Occupation   |              | Awareness Towards Green products |        | Total |
|--------------|--------------|----------------------------------|--------|-------|
|              |              | Yes                              | No     |       |
| Student      | Respondents  | 26                               | 8      | 34    |
|              | Occupation % | 76.5%                            | 23.5%  | 100%  |
|              | Awareness%   | 36.6%                            | 27.6%  | 34%   |
| Business     | Respondents  | 20                               | 5      | 25    |
|              | Occupation % | 80%                              | 20%    | 100%  |
|              | Awareness%   | 28.2%                            | 17.2%  | 25%   |
| Government   | Respondents  | 3                                | 4      | 7     |
|              | Occupation % | 42.86%                           | 57.14% | 100%  |
|              | Awareness%   | 4.2%                             | 13.8%  | 7%    |
| Housewife    | Respondents  | 9                                | 10     | 19    |
|              | Occupation % | 47.36%                           | 52.64% | 100%  |
|              | Awareness%   | 12.7%                            | 34.5%  | 19%   |
| Professional | Respondents  | 13                               | 2      | 15    |
|              | Occupation % | 86.6%                            | 13.4%  | 100%  |
|              | Awareness%   | 18.3%                            | 6.9%   | 15%   |
| TOTAL        |              | 71                               | 29     | 100   |

Table 1.2 shows the relationship between occupation and awareness towards green products. It is inferred that 34 percent of the respondents are students and among them 36.6 percent are aware about green products. 25 percent of the respondents are business people among them 28.2 percent are aware about green products. 15 percent of the respondents are professionals among them 18.3 percent are aware about green products. Government service and housewife are less aware about green products.

**TABLE 1.3**  
**CROSSTABS SHOWING CONSUMER'S AWARENESS TOWARDS GREEN PRODUCTS AND INCOME**

| Income                 |             | Awareness Towards Green products |       | Total |
|------------------------|-------------|----------------------------------|-------|-------|
|                        |             | Yes                              | No    |       |
| 1,00,000 -<br>3,00,000 | Respondents | 25                               | 13    | 38    |
|                        | Income%     | 65.8%                            | 34.2% | 100%  |
|                        | Awareness%  | 35.2%                            | 44.8% | 38%   |
| 3,00,001 –<br>6,00,000 | Respondents | 24                               | 9     | 33    |
|                        | Income%     | 72.7%                            | 27.3% | 100%  |

|                         |             |       |       |      |
|-------------------------|-------------|-------|-------|------|
|                         | Awareness%  | 33.8% | 31%   | 33%  |
| 6,00,001 –<br>10,00,000 | Respondents | 14    | 4     | 18   |
|                         | Income%     | 77.8% | 22.2% | 100% |
|                         | Awareness%  | 19.7% | 13.8% | 18%  |
| Above<br>10,00,000      | Respondents | 8     | 3     | 11   |
|                         | Income%     | 72.8% | 27.2% | 100% |
|                         | Awareness%  | 11.3% | 10.4% | 11%  |
| TOTAL                   |             | 71    | 29    | 100  |

Table 1.3 shows the relationship between Income and awareness towards green products. It is inferred that 38 percent of the respondents earn Rs. 1,00,000 – 3,00,000 annually and among them 44.8 percent are not aware about green products. 33 percent of the respondents earn Rs. 3,00,001 – 6,00,000 annually among them 72.7 percent are aware about green products. 18 percent of the respondents earn Rs. 6,00,001 – 10,00,000 annually among them 19.7 percent are aware about green products. 11 percent of the respondents earn above Rs. 10,00,000 annually and 11.3 percent among them are aware about green products.

### **WILLINGNESS OF CONSUMERS TO PAY PREMIUM MONEY FOR GREEN PRODUCTS IN THOOTHUKUDI**

In order to find out the consumer's willingness to pay premium money for green products, cross tabulation between willingness to pay premium for green products with variables like Educational Qualification, Occupation and Income was done among the selected respondents in Thoothukudi.

**TABLE 2.1**

### **CROSSTABS SHOWING CONSUMER'S WILLINGNESS TO PAY PREMIUM FOR GREEN PRODUCTS AND EDUCATIONAL QUALIFICATION**

| Educational Qualification |              | Willingness To Pay Premium Money Towards Green Products |       | Total |
|---------------------------|--------------|---|-------|-------|
|                           |              | Yes   | No    |       |
| SSLC Or Below             | Respondents  | 2   | 8     | 10    |
|                           | E.Q%         | 20%   | 80%   | 100%  |
|                           | Willingness% | 4.3%  | 14.8% | %     |
| Higher Secondary          | Respondents  | 4   | 7     | 11    |
|                           | E.Q%         | 36.4%   | 63.6% | 100%  |
|                           | Willingness% | 8.7%  | 13%   | 11%   |
| Graduate                  | Respondents  | 19  | 22    | 41    |
|                           | E.Q%         | 46.3%   | 53.7% | 100%  |
|                           | Willingness% | 41.3%   | 40.7% | 41%   |
| Post Graduate             | Respondents  | 12  | 13    | 25    |
|                           | E.Q%         | 48%   | 52%   | 100%  |
|                           | Willingness% | 26%   | 24%   | 25%   |

|              |              |       |       |      |
|--------------|--------------|-------|-------|------|
| Professional | Respondents  | 9     | 4     | 13   |
|              | E.Q%         | 69.2% | 30.8% | 100% |
|              | Willingness% | 19.7% | 7.5%  | 13%  |
| TOTAL        |              | 71    | 29    | 100  |

Table 2.1 shows the relationship between consumer's willingness to pay premium money for green products and educational qualification. It is inferred that 41 percent of the respondents are graduates among them 41.3 percent are willing to pay premium money for green products, 25 percent of the respondents are post graduates among them 26 percent are willing to pay premium money for green products, 13 percent of the respondents are professionals among them 19.7 percent are willing to pay premium money for green products, Respondents who have very low educational qualification are not willing to pay premium money for green products.

**TABLE 2.2**

**CROSSTABS SHOWING CONSUMER'S WILLINGNESS TO PAY PREMIUM FOR GREEN PRODUCTS AND OCCUPATION**

| Occupation   |              | Willingness To Pay Premium Money Towards Green Products |       | Total |
|--------------|--------------|---|-------|-------|
|              |              | Yes   | No    |       |
| Student      | Respondents  | 17  | 17    | 34    |
|              | Occupation%  | 50%   | 50%   | 100%  |
|              | Willingness% | 37%   | 31.5% | 34%   |
| Business     | Respondents  | 16  | 9     | 25    |
|              | Occupation%  | 64%   | 36%   | 100%  |
|              | Willingness% | 34.8%   | 16.7% | 25%   |
| Government   | Respondents  | 5   | 2     | 7     |
|              | Occupation%  | 71.4%   | 28.6% | 100%  |
|              | Willingness% | 10.9%   | 3.7%  | 7%    |
| Housewife    | Respondents  | 2   | 17    | 19    |
|              | Occupation%  | 10.5%   | 89.5% | 100%  |
|              | Willingness% | 4.3%  | 31.5% | 19%   |
| Professional | Respondents  | 6   | 9     | 15    |
|              | Occupation%  | 40%   | 60%   | 100%  |
|              | Willingness% | 13%   | 16.6% | 15%   |
| TOTAL        |              | 71  | 29    | 100   |

Table 2.2 shows the relationship between consumer's willingness to pay premium money for green products and Occupation. It is inferred that 34 percent of the respondents are students and among them 37 percent are willing to pay premium money for green products. 25 percent of the respondents are business people among them 34.8 percent are willing to pay

premium money for green products. 7 percent of the respondents are government servants among them 10.9 percent are willing to pay premium money for green products. Professionals and housewife are not willing to pay premium money for green products.

**TABLE 2.3**

**CROSSTABS SHOWING CONSUMER'S WILLINGNESS TO PAY PREMIUM FOR GREEN PRODUCTS AND INCOME**

| Income               |              | Willingness To Pay Premium Money Towards Green Products |       | Total |
|----------------------|--------------|---|-------|-------|
|                      |              | Yes   | No    |       |
| 1,00,000 -3,00,000   | Respondents  | 9   | 29    | 38    |
|                      | Income%      | 23.7%   | 76.3% | 100%  |
|                      | Willingness% | 19.6%   | 53.7% | 38%   |
| 3,00,001 – 6,00,000  | Respondents  | 21  | 12    | 33    |
|                      | Income%      | 63.7%   | 36.3% | 100%  |
|                      | Willingness% | 45.7%   | 22.2% | 33%   |
| 6,00,001 – 10,00,000 | Respondents  | 6   | 12    | 18    |
|                      | Income%      | 33.3%   | 66.7% | 100%  |
|                      | Willingness% | 13%   | 22.2% | 18%   |
| Above 10,00,000      | Respondents  | 10  | 1     | 11    |
|                      | Income%      | 90.9%   | 9.1%  | 100%  |
|                      | Willingness% | 21.7%   | 1.9%  | 11%   |
| TOTAL                |              | 71  | 29    | 100   |

Table 2.3 shows the relationship between consumer's willingness to pay premium money for green products and income of the respondents. It is inferred that 38 percent of the respondents earn Rs. 1,00,000 – 3,00,000 annually and among them 53.7 percent are not willing to pay premium money for green products. 33 percent of the respondents earn Rs. 3,00,001 – 6,00,000 annually among them 45.7 percent are willing to pay premium money for green products. 18 percent of the respondents earn Rs. 6,00,001 – 10,00,000 annually among them 22.2 percent are not willing to pay premium money for green products. 11 percent of the respondents earn above Rs. 10,00,000 annually and 21.7 percent among them are willing to pay premium money for green products.

**CONSUMER AWARENESS AND PREFERENCE TOWARDS GREEN PRODUCTS**

In order to find out the consumer's awareness and preference towards green products, cross tabulation between awareness towards green products with variable consumer preference was done among the selected respondents in Thoothukudi.

**TABLE: 3**

| Awareness |             | Preference Towards Green Products |       | Total |
|-----------|-------------|-----------------------------------|-------|-------|
|           |             | Yes                               | No    |       |
| Aware     | Respondents | 25                                | 46    | 71    |
|           | Awareness%  | 35.2%                             | 64.8% | 100%  |
|           | Preference% | 71.4%                             | 70.8% | 71%   |
| Not Aware | Respondents | 10                                | 19    | 29    |
|           | Awareness%  | 34.5%                             | 65.5% | 100%  |
|           | Preference% | 28.6%                             | 29.2% | 29%   |
| Total     |             | 35                                | 65    | 100   |

Table 3 shows the relationship between consumer's awareness towards green products and their preference towards green products. It is inferred that 71 percent of the consumers are aware about green products among them 71.4 percent prefer green products. 29 percent of the respondents are not aware of green products and among them 29.2% don't prefer green products.

#### **CONSUMER AWARENESS AND WILLINGNESS TO PAY PREMIUM FOR GREEN PRODUCTS**

In order to find out the consumer's willingness to pay premium money for green products, cross tabulation between willingness to pay premium for green products with variables consumer awareness was done among the selected respondents in Thoothukudi

**TABLE: 4**

| Awareness |              | Willingness To Pay Premium Money Towards Green Products |       | Total |
|-----------|--------------|---|-------|-------|
|           |              | Yes   | No    |       |
| Aware     | Respondents  | 29  | 42    | 71    |
|           | Awareness%   | 40.9%   | 59.1% | 100%  |
|           | Willingness% | 64.4%   | 76.3% | 71%   |
| Not Aware | Respondents  | 16  | 13    | 29    |
|           | Awareness%   | 55.2%   | 44.8% | 100%  |
|           | Willingness% | 35.6%   | 23.7% | 29%   |
| Total     |              | 45  | 55    | 100   |

Table 4 shows the relationship between consumer's awareness towards green products and their willingness to pay premium money for green products. It is inferred that 71 percent of the consumers are aware about green products among them 76.3 percent are not willing to pay premium money for green products. 29 percent of the respondents are not aware of green products and among them 35.6% are not willing to pay premium money for green products.



## FINDINGS AND CONCLUSION

- Graduates are more aware about green products whereas low literate people are not aware about green products in Thoothukudi.
- Most of the respondents who earn Rs.6,00,001 – Rs. 10,00,000 are aware about green products.
- Respondents belonging to Housewife category are not much aware about green products.
- 25 percent of the respondents belonging to business under occupation are willing to pay premium money to buy green products.
- 33 percent of respondents who earn Rs. 3,00,000 to 6,00,000 are willing to pay premium money for green products.
- Nearly 70 % of the respondents in Thoothukudi are aware about green products.
- Most of the respondents are aware about green products but they don't prefer green products as they are not willing to pay premium money for green products.

The study portrays that most of the respondents are aware about green products. Low literate people are still not aware about green concept or green products. Business people are much aware about green products and are willing to pay premium money towards green products. Most of the respondents are aware about green products but hesitate to purchase green products due to its premium cost. Importance of green products and its uses towards healthy environment must be advertised repeatedly so that even the illiterate can understand the concept. Government should take initiatives to promote green products for sustainable future, also different pricing policies can be adopted by the organisations in order to successfully introduce green products among consumers.

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