# IMPACT OF GREEN MARKETING ON CONSUMER PURCHASE BEHAVIOUR IN SELECTED FAST MOVING CONSUMER GOODS INDUSTRY

BY

# **ODIAH, Uchechukwuka Linus**

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BEING A DISERTATION SUBMITTED TO THE DEPARTMENT OF BUSINESS ADMINITRATION AND MARKETING, FACULTY OF MANAGEMENT SCIENCES,
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DEGREE IN MARKETING

**SUPERVISOR: DR. S.E EKAKITIE** 

**JUNE, 2017** 

# **DECLARATION**

I hereby declare that this dissertation is a product of my original ideas and has not been previously submitted either in part or in full to any institution for the award of any certificate or degree whatsoever.

**ODIAH, Uchechukwuka Linus** 

PG/14/15/233477

# **CERTIFICATION**

It is hereby certified that this dissertation which was written and submitted by Odiah, Uchechukwuka Linus (PG/14/15/233477) of the Department of Business Administration and Marketing, Faculty of Management Science, Delta State University, is accepted in partial fulfillment of the requirements for the award of Masters (M.Sc.) degree in Marketing.

DR. S.E EKAKITIE	DATE
Supervisor	
DD LOCDOD	D.A. EEE
DR. J.OGBOR	DATE
Head of Department Management and Marketing	
Prof. (Mrs) R.N. Okoh	DATE
Dean, Faculty of Management Sciences	

# **DEDICATION**

I dedicate this project to God Almighty for making it possible for me to embark on this study and also to the people of Niger Delta who have been badly affected by environmental pollution due to nonchalant attitude towards going green by oil companies in the Niger Delta State Area.

**ACKNOWLEDGEMENTS** 

This research work was made possible through the sincere co-operation and support of so many people that I cannot list all their names in this project. But I know that the Almighty God who sees the heart of men will bless them where ever they are. My sincere thanks go to Almighty God who made it possible for me to complete this work successfully.

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### **ABSTRACT**

Environmental challenges have posed so many constraints globally to individuals, enterprise and even governments. This has provoked many studies focused to determine its effects on business especially the marketing environment. The general objective of the study is to determine the impact of green marketing on consumer purchase behavior. The study made use of a sample size of 301 consumers of fast moving consumer goods manufacturing firms in Lagos State, Nigeria. Survey research design was adopted, and the statistical tool used comprised frequency,, and correlation as well as regression analysis. The findings show that green awareness, green packaging, and green pricing, have significant positive effect on consumers' purchase behaviour while green promotion has no significant effect on consumers' purchase behaviour. These implies that consumers are becoming more aware about environment-friendly products and feel that these products are safe and secure for use due to the ever increasing waste generation. It was concluded that many customers that are known as green purchasers know the significance of the environment on their well being. It was therefore, recommended that corporations should demonstrate genuine corporate commitment to sustainability of greenness to lead the way for consumers to follow. Firms should raise consumer awareness of sustainability of issues, solutions and clearly explain the company's green policy to consumers. They should participate side by side with consumers in sustainability efforts. Build, refine, and grow sustainability platforms with consumer input and consultation. The need to partner with consumers on green sustainability efforts and strategies etc. was also suggested

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#### **CHAPTER ONE**

#### INTRODUCTION

### 1.1 Background to the Study

In recent times, environmental protection has engaged more and more people's attention. Therefore, companies make Green Marketing as a vital marketing strategy in order to sustain their own benefits in the fiercely competitive market environment. They make use of environmentally safe advertisements, eco-brand and eco-label to awaken people's perception and awareness of green products, make it easier to define the attributes of green products, and then consequently attract large number of consumers to purchase green products. Environmental issues are some of the much talked about issues all over the world, and have taken a rapid pace in the corporate world (Gupta, Singh and Thalkur, 2013). Very many people are now aware of the common threats environment pose. These include global warming, pollution, ozone layer depletion, scarcity of natural resources etc. Successful marketing efforts now focus on identifying trends and positioning products and services targeted to appeal to the consumers in particular and the world in general (Maheshwari, 2014).

Most global firms were formed with the aim of profit maximization. This is not withstanding, recent effort in green marketing is geared to establishing companies that are sensitive towards the society (Boztepe, 2012). Here comes the Green Marketing concept. Green marketing helps in fulfilling this evolving objective of 21<sup>st</sup> century enterprises. It is not just another marketing concept but a needful, careful and in-depth analysis of how consumer's buying behaviour can be successfully molded to seek green and environmentally friendly product/services. The marketing elements for green marketing have to be balanced so as not to overemphasize any one aspect of marketing over the other. All the 4Ps affect asymmetrically the

minds of the consumers. For some, product features are important, for others it is, price i.e the product should be affordable. And for some, promotion affects the most and for some others distribution and availability is deemed significant. Product, price, promotion and place bear the direct effect on the purchasing behavior of the consumers.

Furthermore, the demographic variables like age, gender, education and income makes the mindset of the consumers different from one another. How green marketing changes the attitudinal behavior of the consumers towards environment and leads them to purchase green products has a direct relationship with demographic variables stated above. It is seen in many researches and studies that green marketing activities influence varies directly with the variations in demographic variables. Companies in recent times try to make consumers aware about the benefits of going green. The use of Eco-labels, Eco-brands and environmental advertising are the new green marketing techniques adopted by marketers. Thus green marketing techniques perform a crucial role in amending the mind of consumers and making them purchase green products (Maheshwari, 2014). And this reduces the harmful effect of non-green products on the environment. Ginsberg and Bloom, (2004) stated that marketing strategies should be framed according to the market and the consumer concern for the environment as single marketing strategy would not be suitable for all the firms, markets and consumers.

Historically Green marketing as a concept was first discussed in a seminar on Ecological marketing organized by American Marketing Association (AMA) as far back as 1975. The proceedings of this seminar resulted in one of the first books in green marketing entitled "Ecological Marketing" by Henion and Kinnear in 1976. The (AMA) seminar attempted to bring together academics, practitioners, bureaucrats, and policy makers to examine marketing impact on the Natural environment. According to Peattie (2001) the evolution of green marketing has

three phases. First phase is termed as "Ecological green marketing" and during this period all marketing activities were focused to solves environmental challenges and provide remedies for environmental problems. Second phase is "Environmental green marketing" and the focus shifted to clean technology that consist of designing innovative new products which take care of pollution and waste issues. Third phase is the "Sustainability green marketing" which came into prominence in the later 1990s and early 2000. This study aims to review green marketing and its impact on customers and their buying behavior. The components of green marketing such as green awareness, green packaging, green pricing and green promotion were examined.

#### 1.2 Statement of the Problems

Several environmental hazards in Nigeria gave rise to youth restiveness in the country and emergence of angry groups came up due to the environmental pollution caused by manufacturing companies that did not appreciate the need to go green. Nigeria has a high level of air pollution, poor water quality, high level of noise from traffic, environmental pollution caused by polymer, a lot of great and rapid decrease energy waste. Companies in Nigeria can use different strategies to encourage green behavior to achieve sustainable development. Due to growing environmental problems and its adverse effects on physical and mental health of human beings a lot needs to be done in advocacy for ethos of greenness. The need to create awareness in consumers in this part of the world as they may not realize that there are environmentally committed organizations — (recycling companies) that they can channel their waste products to rather than litter the environment.

To compound the situation traditional marketing lays too much emphasis on customer demands to the detriment of social and environmental issues. This also applies to a lot of aspects of firms and its marketing efforts. However, previous studies on the link and relationship between green marketing and consumers buying behavior have been inconsistent. Hence the focus of this study will be to further provide insight to do away with these inconsistencies.

### 1.3 Research Questions

The following research questions are formulated to guide the study.

- i. What is the relationship between green awareness and consumers' purchase behaviour?
- ii. What is the impact of green packaging on consumers' purchase behaviour?
- iii. How does green pricing affect consumers' purchase behaviour?
- iv. What is the effect of green promotion on consumers' purchase behaviour?
- v. What is the effect of green products on consumer purchase behaviour?

### 1.4 Objectives of the Study

The general objective of the study is to determine the impact of green marketing on consumer purchase behavior. The specific objectives are to:

- i. Investigate the relationship between green awareness and consumers' purchase behaviour.
- ii. Determine the impact of green packaging on consumers' purchase behaviour.
- iii. Ascertain the impact of green pricing on consumers' purchase behaviour.
- iv. Assess the effects of green promotions on consumers' purchase behaviour.
- v. To ascertain the effect of green products on consumer purchase behaviour.

### 1.7 Research Hypothesis

HO<sub>1</sub>: There is no significant relationship between green awareness and consumers' purchase behaviour

HO<sub>2</sub>: Green packaging has no significant relationship with consumers purchase behaviour.

HO<sub>3:</sub> Green pricing has no significant relationship with consumers' purchase behaviour.

HO<sub>4</sub>: There is no significant relationship between green promotion and consumers' purchase behavior

### 1.8 Significance of the Study

Most companies are yet to realize that they must behave in an environment-friendly manner. Some believe in achieving environmental decency as well as achieving profit related objectives while others do not, companies that embrace the concept of green marketing invest in various recycling facilities. This study is significant because its outcome will lead to evolution of policies that can shape the direction of green campaign and actions of enterprises gone or going green. It will also add additional operational impetus to regulatory bodies like CPA (Consumer Protection Agency), SON (Standard Organization of Nigeria) etc on new regulatory guidelines that can promote greenness of goods/services that are environmentally safe and friendly.

It will serve as an eye opener to executives of firms especially in the production sector. It will serve as a good reference material – literature for individuals and organizations who wish to carry out further research in this area. This study will be beneficial to the entire public in reducing harmful impacts of pollutants and adopt healthy environmental culture. The list however extends to Government at all levels who are making regulatory framework to sustain the environment, the economy, and her citizenry.

### 1.7 Scope of the Study

The geographical scope is limited to seven selected manufacturing firms of fast moving consumer goods in Lagos State, Nigeria. The study is focused on the impact of green marketing on consumer purchase behavior. The study covers the various variables or components of green marketing such as green awareness, green packaging, green pricing and green promotion. Furthermore the study examines the impact these have on consumer purchase behaviour of the

selected manufacturing firms in Lagos State. However the study covers a period of one year (2015-2016).

### 1.10 Limitations of the Study

They are the shortcomings, conditions or influences that cannot be controlled by the researcher that place restrictions on the methodology and conclusions. These includes:

Non response or noncompliance of some respondents due to bias and feeling of insecurity of respondents affects the researcher in collecting data. Many developing countries especially Nigeria tend to dislike activities that tend to be probing them, therefore, they try to avoid researchers. This is applicable in manufacturing firms where information is considered a secret and meaningful information is being hoarded.

A problem that was observed but later eliminated during the process of generating information is respondent's bias. This is where respondents displayed unwillingness to participate in the survey because answering the questionnaires was time consuming and does not bring any benefits to them. Therefore, the unresponsive and inactive behavior of the respondents affected them to provide inaccurate answer to the questionnaire.

Respondents interpreted the questions wrongly and provided inaccurate answer in the questionnaire. Therefore, the lack of control in understanding the questionnaire led to misunderstanding questions, missing data, and unstructured responses which cause inaccurate result in the study.

# 1.9 Organization of the Study

The study was organized and structured into five chapters. Chapter one contains introduction and background to the study. Chapter two is a review of related literature. Chapter three discusses the methodology employed in carrying out the study and chapter four is data

presentation and analysis while chapter five concludes the study and proffers recommendation for policy and business decisions.

#### 1.10 Definition of Terms

**Green Marketing:** is the marketing of products that are environmentally preferable to others. Thus green marketing involves a large range of marketing activities that includes product modification, changes to the production process, sustainable packaging, as well as modifying advertising.

**Green Packaging:** Green packaging is a high-quality compostable packaging that is a sustainable alternative to plastic, paper and styrofoam for a greener planet.

**Green Pricing:** is an optional utility service that allows consumers to have the privilege to assist a higher level of utility firm investment in renewable energy technologies. Participating consumers pay a premium on their electric bills to cover the incremental cost of the additional renewable energy.

**Green Advertising:** A specific kind of advertising that is focused on the promotion of indicators having to do with the environment.

**Green Consumer:** a consumer who wants to purchase products that have been produced in a way that protects the environment.

**Green Consumption**: It is a kind of consumption pattern that is compatible with the safeguard of the environment for now and for the next generation.

**Customer Participation:** at every stage of a new product development is widely touted as important for innovation success.

**Consumer Purchasing Behavior:** it is the consumer's attitudes, intentions, preferences and decisions pertaining to the consumer's behaviour in the marketplace when buying a product.

**CHAPTER TWO** 

#### LITERATURE REVIEW

#### 2.0 Introduction

This chapter allows the researcher to identify/adopt or evaluate, read and appraise previous studies, opinions, comments, document and observations related to Green marketing and its Indicators.

### **Conceptual Review**

### 2.1 Concept of Green Marketing

The study of greenness in consumer behavior emerged as an important issue for planning during the 1970s. Many publications on environmental studies and their effect on consumer behavior are focused towards energy conservation, consumption and internal processing procedures (Hartmann and Apaolaza, 2006). The promotion of greenness and its philosophy has helped to start the Green Revolution and to prevent damage to the environment (Rahbar, and Abdul, 2011). Therefore, a major challenge for mankind in the new millennium is to find equitable and sustainable production process to sustain healthy human and plant life (Peattie and Crane, 2005). The response to environmental concerns of consumers is the balancing and aligning enterprise opportunities with environmental laws, and its effect on a growing number of companies. It now requires them to design and create environmentally friendly programs and production processes (Hokey and William, 2001).

Green marketing connotes the process of selling products based on their environmental gain. The public tends to be skeptical of green claims, companies and their activities can damage their brands and their sales if a green claim is found to be false by a company's other products. Presenting a product or service as green when it's not is called *green washing* (Babita, 2013). Green cleaning is all about using products that are safe and healthy for the environment and

about employing eco-friendly cleaning practices, like reducing water usage etc. It is also about using products from conscientious firms with sustainable business practices. Greenness is a general term that means products and practices that are organic, sustainable and/or otherwise environmentally friendly (Babita, 2013).

The term also refers to products that are green (within the context of environmental and social performance) in production, usage and disposal compared to other competing products (Babita, 2013). In other words, a green product is a product that is not harmful to the physical environment and also contains elements that are not potentially harmful to the environment (Norm, Douglas, Cerf and Krishnan, 2011). Consumers are still in the nascent stage of green awareness. There are two aspects of green marketing: telling the value of going green and creating marketing strategies through which green messages can be sent to create the awareness about greenness in the minds of the consumers. Maheshwani (2014) further posits that every product bears some effect on the environment at some point in time in its product life cycle. Although there are contentions that there is not a single product in the market that is totally environment friendly and does not bear any impact on environment.

There is thus a gap between how consumers behave and what they believe. In the case of green marketing, even if the consumers are aware of green marketing and green products, they still don't buy them. Maheshwani (2011) studies reveal that most respondents buy the green products which are well known. Norm, Douglas, Cerf and krishnan (2011) are of the view that there is a lot of avenue to explore the potentials of green marketing and consumer's awareness is not shown in their buying behaviour. They provide insight on the role of demographic variables like age, gender, education and profession on the awareness and purchase of Fiber glass

Reinforced Plastic products etc. It is a new environmentally friendly material used in construction of finished product.

Green marketing is the marketing of products which are safe for the environment and also for the consumers as a whole. It includes a wide range of activities: changes in the production process, changes in the product itself, changes in the packaging, changes in labeling and changes in promotions. The process and practice of Green Marketing is about making products and services that are measured on the basis of environmental benefits that they give. Therefore any product or service which itself is environmentally friendly or is produced or packaged in such ways can be termed as Green.

#### 2.2 Green Purchase Practices

Consumers purchase goods and services that they think have a positive (or less negative) effect on the environment. Green purchase behavior includes trying to save energy consumption and avoid purchasing of goods with unsuitable packaging (Robert, 1996). Chan (1996) has considered practices such as buying standard sprays and drinks in degradable cans. Other cases include the products made by plastic and recyclable paper, and detergents containing toxic material that are harmful to nature (Mainieri *et al.* 1997). Green products are degradable and recyclable and have the lowest form of packaging and are produced organically Chaiyawat (1998). Other green practices include purchasing of products that have been made or packaged with recyclable materials that can be re-filled again (Minton and Rose, 1997).

## 2.2.1 Benefits of Green Marketing

Some of the advantages of green marketing according to Babita (2013) are:

- i. It ensures sustained long-term growth along with profitability.
- ii. It saves income in the long run, though initially the cost is more.

- iii. It helps firms to market their products and services by keeping the environmental aspects in mind. It aids in accessing new markets and enjoying competitive advantage.
- iv. Most of the staffs also feel proud and responsible to be working for an environmentally responsible firm. Also Uydaci (2002) sees Green marketing as serving two major purposes which are:
- v. Purpose of developing goods that can appeal to the consumer at reasonably, affordable prices and environmentally friendly products which will cause minimal damage.
- vi. For the purpose of reflecting a products image of high quality, environmental sensitivity and production of products compatible with environmental requirements is another great benefit: eco-labeling, eco-branding, environmental advertizing etc.

# 2.2.2 Challenges of Green Marketing

- \* Green products require renewable and recyclable material which is costly
- \* Requires technology with huge investment in R & D-(Research and Development)
- \* Water treatment technology, which is too costly
- \* Majority of the customers are not aware of green products and their uses
- \* Majority of the customers does not want to pay a premium for green products

### 2.3 Dimensions of Green Marketing

Meghna and Prachi, (2016) identifies green marketing practices and their influence on consumer buying behavior, these include: eco-labeling, eco-branding, environmental advertising etc.

## 2.3.1 Eco-Labeling

Eco-labels are one of the important techniques of green marketing. They are part of packaging and they can be in the form of a piece of paper or any diagram. Labels provide

knowledge about the brand and many more information. Labels play two important functions: information function and a value function (Delafrooz, Sharifah, Samsinar and Ali 2014). Ecolabels are very useful for consumers as they provide knowledge about how the product is made and so consumers can take a decision whether to buy the product or not. It helps consumers to identify environment friendly products.

In a study, Meghna and Prachi (2016), found that 43% of respondents believe that ecolabeled products are good for the environment and the same percentage of respondents think that they are good for both health and environment. Only 2% of respondents confirm eco-labels means nothing to them. This shows that eco-labels are effective in influencing consumers purchase. And in the same study, 56% of respondents are willing to pay more for green products. As many as 73% respondents believe in the credibility of eco-labeled products. There are some studies which show the linkages between the eco-labeling and the consumer's intension to buy the eco-friendly products. Also Delafrooz *et al* (2014) found a positive relationship between eco-labels and intention of consumers to purchase eco-friendly products.

A study done on Finnish consumers by Jarvi, (2010) shows that 45.5% of respondents study products before purchasing them while nearly equal number of respondents were spontaneous buyers. If we keep the results of this study in mind, we can conclude that it is easier for recognized eco-labels to get sold. In the same study, 60% of respondents were frequent buyers of eco-labeled products. Like all brands, eco-labels take vital time and resources to build (Wigder, 2008). Profit maximizing firms have to face bigger challenges than NGOs and government organizations in establishing eco-labels.

#### 2.3.2 Eco-Brands

"Eco-brand" also known as environmental branding or green branding etc. are names, terms, signs, and symbol used to declare the firm's environmental performance that is practiced extensively. Eco- Brands can also be referred to as brands that conform to environmental needs of the people, as against Eco-labels which are labeling systems for food and consumer products.

A brand can be seen as a name, term, sign, symbol, or design or the mixture of them, intended to identify the products and services of one seller or group of sellers and to distinguish them from that of a competitor (American Marketing Association AMA). In the same way, Eco-brand serves the reason of differentiating a brand on the basis of its environmental benefits. Eco-brand makes a product different from other products and makes it more identifiable among the thousands of varieties of products. A green and non-green product can be easily differentiated on the basis of an eco-brand.

A study on online consumers by Neilsen (2014) reveals that globally 55% of consumers are willing to pay more for services and products that are environmentally and socially responsible. It further reveals that inclination towards eco-brands is highest in Asia-Pacific (64%), followed by Latin America with (63%) and Middle East (63%). With the survey done in 60 countries the Neilson Global Survey found that 52% of respondents agree that in the last six months they have purchased at least one product from eco-branded company. Further they found that most of the respondents first check the eco—labels before checking the eco-brand.

#### 2.4 Environmental Awareness

Due to ever increasing waste generation, consumers and producers are becoming more alarmed about environment-friendly products and feel that these products are safe and secure for use (Biswas, 2008). Through advertisements of green products corporate firms attempt to

produce a positive picture in the mind of their clients (Awan, Abdul and Muhammad, 2015). Environment, organizations use green advertising as a viable tool to push in purchaser (Ginsberg and Bloom, 2004). Numerous customers known as green purchasers who know the significance of environment, well being by developing utilization of green products (Suki, 2013). Carlson maintains that the publicizing of green items raised their demand changes buying behavior of consumers (Cohen, 1973). A purchaser comprehends the validity of a firm through its green item creation (Yazdanifard, 2014). There is an assumption that the interest in ecologically, well-disposed merchandise items is expanding everywhere throughout the world (Carlson, 1995). The group who need to buy the green product is willing to pay more for a green item in premium cost (Cronin, 2011). Yazdanifard inferred that occasionally organizations or firm bears the costs of their green items to improve their quality, and shape (Wahid, 2011). Companies attempt to abate its operational and creation expense to give the low value, green item, and attempt to obtain or best offer in the business sector (Dunlap and Scarce, 1991).

Organizations outline environmental friendly products and target those customers that will be able to pay more for these green products (Yazdanifard, 2014). Numerous client objections for high prices of green products and some client overlooks to purchase green item because of its high cost (Manjunath, 2013). It is seen by prior exploration in the business sector that female were more worried about the environment as compared to male G.B., (1993).

Shopper-acquiring choice is based on distinctive components value, brand picture, effect of item on environment on the earth and green purchaser's choice is affected by environment well-disposed item (Chan, 2013). Kronrod *et al.*, (2015) Pointed out and explained the shocking prevalence of assertive environmental messages in the media. Environmental agencies, which are populated with experts who perceive protecting the natural environment as a highly significant

issue, should understand that not all consumers are as informed and concerned about the environment. Diwani & Bodla (2013) observed that it is not a smooth sailing of the ship carrying green products and services in the sea of intense competition. The boat can face an iceberg of high cost and prices and increased claims of greenness. Kumar (2010) analysed that how far the hotel business in the tourism sector meet the customer's needs through green marketing effort and how they affect the consumer behaviour and their satisfaction by inducing environmentally responsible behaviour. Jain et al., (2010) listed the three C's process for green marketing implementation which includes Consumer Value Positioning, Calibration of Consumer Knowledge and Credibility of product. Sinha and Gilpin (2009) primarily concern on discovering inefficiencies in the carbon value chain of energy production using renewable methods. By utilizing anaerobic digestion and gasification technology Aura could produce biogas from cattle, swine, and other farm animals. Kumar and Meenakshi (2009) observed that the consumers have to play a vital function if firms have to be made responsible for preserving the physical environment. They should stop buying products of firms which are polluting the environment.

Apart from firms, NGOs also have significant functions to play. NGOs should carry out research and tell the firms how they can make their process more environment-friendly. Murugesan (2008) observed that companies may use green marketing techniques as a remedy to resolve cost or profit related issues. Disposing of environmentally harmful by-products, such as polychlorinated biphenyl, contaminated oil are becoming highly costly and the companies that can reduce harmful wastes may incur substantial cost savings. Roger *et al.*, (2007) stated that Green Marketing takes many forms. It comes from product development opportunities that originate from consumer research and its Pollution Prevention Pays program. This program asks

for marketers opinions on how to reduce pollution and recycle materials. Charles *et al.*, (2004) observed that Green Marketing has become a significant way for firms to build awareness and loyalty by promoting a popular issue. By positioning their products as ecologically sound, marketers can share concern for the natural environment and consumers as a whole. Braimah and Tweneboah-Koduah (2011) studied Ghanaian consumers and have discovered that low level of awareness towards green marketing practice which influenced purchase decision of the consumers. Price of green products was also discovered to be one of the components that affect the purchase of green products. However, it was found that young consumers are more likely to be affected by green issues. Cherian and Jacob (2012) observed that consumers lack green knowledge because of low awareness, firms are still not focusing towards development of green products.

High investment is required in marketing promotions to create awareness regarding green products and their uses. Many customers may not be willing to pay a premium for green products which may influence the sales of the company. It requires the firms to extensively communicate the presence and gains of green marketing to the customers by means of various techniques available for integrated marketing communication. According to Joel Makower (cited by Shafaat and Sultan, 2012), setbacks encountered by green marketers also include *the lack of standards* and common consensus among the public about what actually constitutes "green".

Green marketing is the most concerned issue throughout the world for environmental awareness. There are a large number of people, who are turning to the environmental friendly products and this number is increasing every year. Consumers are now becoming very sensitive about the safety of the environment and their health (Awan and Abdul, 2013). Companies are however encouraged to efficiently use limited earthly resources to achieve unlimited human

wants and reduce their wastage. In this way, they will get efficiency gain. Moreover, companies have sufficient awareness about green products and services and they are gradually shifting towards and trying to change buying behavior of consumers. They are highlighting the beneficial aspects of green products so that the consumer can be attracted towards green products and services. They are trying to educate the consumers so that they can be aware of green products and services.

However, the level of awareness is low to some extent and further efforts are needed to enhance it (Awana, Abdul and Muhammad, 2015). This has led to the shift in production practices to the present period of recyclable, non toxic and environment friendly products. Consumers with environmental awareness can measure the cost of use and the effect of it on the society and the environment as well (Babaogul and Ozgun, 2008). According, to a study conducted by Aslan in Kafkas University on 400 students, found that students are aware of the harmful effects of the products on the environment and are aware of the green products. What is important for students are the features, i.e. how they are wrapped, packed and the after use cycle of the product (Aslan, 2007). According to a research paper by Bozetepe (2012), the consumer buying behaviour is affected by an increase in the environmental awareness. There is a positive significant relationship between consumer green buying behaviour and environmental awareness.

But there is a opposite view to this claim, Findings by Suki (2013) claim that the awareness about the green products does not affect the buying decisions of consumers for green products. The findings of his paper do not validate the findings of DSouza, Taghian, Lamp, and Peretiatkos. (2006) though the respondents have the knowledge about the green products and green issues, this knowledge does not affect their buying behaviour. Therefore contrasting the

claims of Ishaswini and Dutta (2011), According to their research done on Indian consumers awareness about green products and pro-environmental concerns are indicative of the buying behaviour of consumers. In their study, 98% of respondents are aware of eco-friendly products. The results also pointed out that consumer buy the products that are eco-friendly but are unsure about the quality and so they do not trust the green products (Ishaswini and Dutta, 2011). Nigeria needs to raise the awareness level of consumers.

A worldwide survey shows that consumers globally are changing their behavior towards products and services. Green marketing is almost inevitable due to the fact that environmental issues play vital function in marketing. Murthy (2007) posit that many companies are beginning to realize that they are members of the wider community and therefore must behave in an environmentally responsible fashion. This has made some firms to painstakingly and continually research on how to reduce environmental pollution which is causing harm to human health in some area and hamper agricultural activities in other areas. Peattie, (2001) stated that the evolution of green marketing has three phases.

This research work will be conducted on the bases of the two phases which are – Ecological Green Marketing and Environmental Green Marketing with both talking about technological advancement that takes care of pollution and waste issues. Positioning and demand stimulation for recycled and reproduced products marketing strategy on positioning recycled and remanufacturing products and creating demand for them appears to be a missed opportunity (Biddle, 1993).

## 2.4.1 Environmental Sustainability

Sustainability is the key stone of the green marketing philosophy, which resolves this apparent paradox. A sustainable method to consumption and production consist of enjoying a

standard of living today which is not at the expense of the standard of living that can be enjoyed by future generations (Pierre and Prothero, 1997). Charter (1992) mentioned that sustainability is at the nucleus of the green marketing philosophy. Van Dam and Apeldoom (1996) observed that the proactive components of green marketing are being abandoned in favour of a responsive attitude, and environmental issues are converted from a societal challenge into a marketing problem. Consumers are also depicted as playing a major function in environmental sustainability since they can exert considerable pressures and demand goals of sustainability or environmental performance from businesses (Perry and Singh, 2002; El Tayeb *et al.* 2010).

Incorporating a green strategy into firm's overall vision is one of the world's biggest challenges. This entails making green marketing practice an integral part of the firm's values and fundamental beliefs; bringing the overall focus of companies to triple bottom line of people, planet, and profit for the greater good of the environment as against profit maximization philosophy of companies. They should be encouraged to use more of natural, recycled or renewable materials to produce their product. Talking about sustainability, organisation's effect on the consumers and environment in which it operates and consciously adopts sustainable practices throughout every element of its business must be given kin consideration. Companies consciously obverse and reduce their carbon footprint, actively examining the carbon life cycle of their products/production activities as this will aid the actualization of sustainability goal; reducing negative environmental effect and improving livelihoods.

Sustainability should be made a cornerstone of every company, working to help protect consumer health and the environment. A good instance of environmental sustainability company is the General Electric, it is noteworthy for its pledge to double its investments in the research and development of environmentally friendlier technologies. This has so far cost \$700million in

2004 to \$1.5billion in 2010. General Electric has been consistently named among the ten of global 100 most sustainable corporations

Researchers in several business disciplines have convincingly urged that environmentally responsible strategies can contribute to competitive advantage and superior financial performance while debates on ecological conservation and environmental practices within marketing have raged for over three decades, much of the focus has been on identifying and targeting the environmentally – conscious consumers.

So many recycling companies help to transform waste into useful raw materials or even finished products for example, the Biodegradable materials and organic waste are transformed into useful soils and fertilizers through a chemical process called compositing. These low-cost, high-return recycling processes are vital for business and environmental reasons, as they increase profitability for recycling companies and minimize the burden on natural resources. A lot of electronic components require their own specialized recycling plants. Printer and toner cartridges, for example can often be refilled and taken back to the market. Batteries, on the other hand, must be handled with care because of their potentially hazardous materials; the same is true of computer components, cell phones and other forms of electronic waste, often called "e-waste". Concerns about the natural environment have led to an increase in the creation of such plants around the world.

#### 2.4.2 Environmental Orientation

Like the case of Kenya, whereby recycling is not just a matter of recovering recyclable materials, it is a total economic system. The government has mapped out some programmes tagged "The Curbside Collection Programmes", which is an indication of government deliberate efforts to clear its environment of waste burden. At present though, the cost of collecting and

processing recyclable materials in Kenya far out weights their value as a commodity that can be sold back to industries. But more importantly, it is in their economic interest to do so when it comes to consumer and business demand for the products made from these materials for sustainable growth. The involvement of individual and entrepreneurs will harness the success of recycling – indeed, its true value in the long-term will not depend on how much landfill space is saved.

For instance, the advent of modern recycling has created a large supply of potential feed, composed of recovered waste from homes, offices, poultry farms with the help of central and local governments processing centres or material recovery facilities can be set up to deal with contamination problems. Furthermore, since these facilities are often labour – intensive, they create massive employment. Akpodiete (2016), in his research work discovered that "Fish Meal", an active ingredient in poultry feed formulation can be replaced by "Maggot Meal" which is gotten from poultry waste, dried and processed. To the animal nutritionist and Biochemist, the list of such feed resource is unending as what was initially considered worthless, irrelevant, waste or harmful all of which would have contributed to environmental waste burden are finding usefulness with time.

If government agencies on their part can make consented effort towards ensuring that the environment is free of contamination. Agencies such as Waste Management Board is however challenged to ensure that their effect on the environment in terms of waste management is felt, as it will drastically reduce waste burden on our environment. The Federal Road Safety Commission at the other end can sensitize and caution the entire public against abandoning their faulty or accidented vehicles on the road, police stations and even their office as this practice is not healthy for road users and the entire environment. The agency can map out a campaign

program to mop up the roads and even their offices of vehicles that have been abandoned for decades, rather than occupy space and constitute nuisance, can be sold to iron and steel recycling companies.

### 2.4.3 Environmental Advertising

In green marketing research, environmental advertising is showing significant influence on knowledge and consciousness and on consumer's environmental attitude. Marketers are moving towards advertising either through media or newspaper to make consumers aware about their green products or services. Growing movements for greenness worldwide and consumers increasing concern for the natural environment making the marketers opt for environmental advertising. The objective is to motivate consumers to buy the products that are harmless to the physical environment.

In a study, females are found to be more responsive with positive attitude towards green advertising and green products. Eco-advertising helps in the growth of green marketing techniques (Haytko and Matulich, 2010). Through Eco-advertising there is a positive change in the consumer's behaviour towards green marketing strategies (Neft and Thompson, 2007). The Haytko and Matulich's (2010) study tended to hold the view that consumers practicing environmental behaviour are more inclined towards green advertising. Another study by Rahim (2011) and Rahim and Zukni (2012) conducted on Malaysian youth concluded that consumers who have some prior knowledge of "green living have more positive attitude towards eco-advertising. Their study found that three media channel is fit for green advertising i.e. television, social networking websites and other websites. They also suggest that government and NGO engaging in green advertising should go for the above mentioned Media for effective persuasion. Zhu (2006) found in his research (done in Shanghai) that there is a need for well-planned and

organized design which will be required to carry out a green campaign. The study also found that credibility plays a significant role when launching the green advertisement to influence consumers to purchase green products (Zhu, 2006).

# 2.5 Consumer Perception

Environmental sensitization has become a global issue which has swayed individuals to adopt the emerging concepts such as green marketing. There has been emphasis on the concept of green marketing, issues such as physical environmental protection, sustainability, gradual environmental degradation and investments in environmental activities have been discussed at all possible fronts. There are a lot of environmental problems that occurs as a result of the production of goods and rendering of services, and therefore there are also many ways a firm can market their eco-friendly offerings. Green marketing can resolve a wide variety of these issues: an item can save water, reduce greenhouse gas emissions, cut toxic pollution, clean indoor air, and/or be easily recyclable. There is therefore an urgent need to share information regarding environmental concerns, this growing trend and concern about environmental issues has changed the way people live and the products they purchase. Marketers and consumers are becoming highly sensitive to the need to switch into green products and services.

Joseph and Korlekar (2014) carried out a thorough study to analyse the scope for in-depth studies on green marketing to be conducted in developing nations like India, not only on understanding consumers perception but to study the detailed profile of such customers who have positive attitude towards green marketing and green products. Ghoshal (2011) stated that green marketing is still in its infancy. In the perception of marketing experts on green marketing is referred to as eco-level and market segmentation and the function of structural factors and economic incentives in affecting consumer behavior. The green marketers must understand to

satisfy two objectives: improved environmental quality and customer satisfaction. Selvakumar and Pandi (2011) showed that Green Marketing is not all about producing green products and services but consist of all those marketing activities that are needed to develop and sustain consumer's eco-friendly attitudes and behaviours in a way that aids in creating minimal detrimental influence on the environment. Aggrawal *et al.*, (2010) observed that Eco-responsible (Green) firms have a serious task to increase their product offering mix in such a way so that they can not only attract customer towards them but also can have their products price competitive. Thomas and Gowda (2010) stated that environmentally friendly buildings are also known as Green Buildings. Some of the visible green characteristics, such as exterior window shading, good day lighting, green (landscaped) roofs, and natural ventilation chimneys are often viewed as the signals of being green.

Consumers who are aware of and interested in the natural environmental issues are known as green consumers (Soonthonsmai, 2007). These green consumers usually write petitions, boycotted manufacturers and retailers and actively promote the preservation of the planet (Fergus, 1991). Ottman (1992) stated that consumers accept green products when their primary need for performance, quality, convenience, and affordability are met, and when they understood how a green product could help to solve environmental problems.

#### 2.5.1 Consumer Participation

The world over, recommendations from scholars, experts, environmentalist, etc have pointed to the fact that Corporations should demonstrate action and genuine corporate commitment to sustainability to lead the way for consumers to follow. Raise consumer awareness of sustainability issues and solutions, clearly explain the company's sustainability platform making it relevant to consumers. They should participate side by side with consumers

in sustainability efforts. Build, refine, and grow sustainability platforms with consumer input and consultation. Facilitate sustainable actions by consumer themselves. Engaging consumers to actively purchase from brands and firms that have differentiated, positive consumer strategic relationship performance has become the primary focus of green marketing. Based on advanced statistical modeling across mulpitle surveys, our global research reveals four (4) consumer segments on the sustainability materialism spectrum which includes:

- \* Advocates
- \* Aspirationals
- \* Practicals
- \* Indifferents

**Advocates**: These are set of consumers that are highly concerned and committed to sustainability issues and have little trust in business as providers of solutions to social and environmental challenges. They are motivated by a belief that sustainable consumption and social action are 'the right thing to do'.

**Aspirationals**: These are group of consumers that purchase with a purpose, they are mostly engaged in sustainable consumption. This is a very important segment, they are marketer's dream as they are highly connected, influential, materialistic, style-seeking, engaged with brands, they are most likely to be women and young.

**Practicals**: They are laggards in purchasing more sustainable products, and they are driven by proven marketing performance and reduced price points.

**Indifferent**: Are the least likely to engage in the sustainable economy and the least likely to try new thing or be source of recommendations to others. They are expected to be male and young,

believe that 'there is little individuals can do' to make a positive difference in society and on the planet.

# 2.6 Green consumption

Many of the green marketing research have focused on consumer attitudes, behavioural effect on green purchasing and the gender of green consumers. These components are generally divided as either socio-demographic or psychographic (Diamantopoulos *et al.* 2003; Leonidou and Leonidou, 2011; Luzio *et al.* 2013). For example, Juwaheer *et al.* (2012) studied the influence of green marketing techniques on consumer purchasing patterns. Their study found that there was a strong positive correlation between marketing strategies and consumer purchasing patterns of green products.

Several researchers indicate that consumer attitudes and behaviour is complex and significant in understanding green purchasing. According to Cheah and Phau (2011) Customers with favourable attitudes towards environmentally friendly products are more likely to purchase environmentally friendly products. They exhibited that consumers with eco-literacy, interpersonal influence and value orientation have strong correlations with attitudes towards environmentally friendly products. Green product purchasers indicated significantly higher levels of cognitive attitude, affective attitude, social norm, personal norm, and recycling intention (Park and Ha, 2012). However some researchers are skeptical of the concept of green consumers. Bonini *et al.* (2008) highlighted that 53 percent of consumers in Brazil, Canada, China, France, Germany, India, the UK, and the US are ideally concerned about environmental issues but are not practically and actively protecting the environment. In addition, Pickett-Baker and Ozaki (2008) observed that customers who are environmentally conscious do not necessarily purchase green products and services. Green product is varied and context specific- consumers could buy

conventional products but still show environmentally friendly practices such as appropriate recycling or disposal (Luzio *et al.*, 2013; Laroche *et al.*, 2001; Wheale and Hinton, 2007). Unfortunately, Nigeria and other developing countries' consumers have not exhibited environmentally friendly practices such as environmentally preferable purchasing or appropriate disposal. This issue of waste disposal is a serious issue in Nigeria, whereby people dispose waste in and around their residence, public places, drainage system, and even on the road. This habit is almost becoming a culture in Nigeria except for few persons. The consumer might not choose green products because of other considerations such as cost, quality and loyalty.

## 2.7 Green Attitude

According Ottaman, (1993) and Peattie, (1993) conventional marketing is out and Green Marketing is in. Corporate attitude to environmental issues have changed vitally over the years. For many years, most firms regarded environmentalists as unfriendly and environmental regulation as something to be fought off as long as possible, and then complied with reluctantly. This approach began to take new shape in the late 1980's, first among large firms in the most polluting industries, such as chemicals and oils. By the time of 1992 Earth Summit, (Rio Conference) some companies had already embraced green marketing philosophy. Under the chairmanship of Stephan Schmidheiny, a charismatic Swiss with a private business, the Business Council for Sustainable Development (BCSD) was formed. It's fifty-nine members put together guidelines on environmental friendly behaviour for firms and held their own conference in Rio, a week before the world's leaders assembled there.

Five reasons why firms should adopt the use of Green Marketing are: -

1. Companies perceive environmental marketing to be an opportunity that can be used to achieve its aim (Keller, 1987; Shearer, 1990).

- 2. Organizations are of the opinion that they have to be more ethically and socially responsible (Davis, 1992; Freeman & Liedtka, 1991; Keller, 1987; McIntosh, 1990; Shearer 1990).
- 3. Governmental agencies are forcing firms to become more responsible (NAAG, 1990).
- 4. Ecofriendly competitor pressure makes the firms to change their environmental marketing activities (NAAG, 1990).
- 5. Cost factors associated with waste disposal, or reductions in material usage forces companies to modify their behaviour in favour of green marketing (Azzone and Mazini, 1994). Green product or market is viewed as the outcome of rational strategic choice. It may thus comprise of the search for different types of competitive advantage (Gladwin, 1992a).

As a result of staggering pollution levels and the diversity of environmental concerns, a wide range of pressures is coming to bear upon firms from many sides. The intensity of these pressures varies by country, sector, industry and firm. It is clear, however, that firms need to respond urgently in order to ensure further use of scarce resources, public and political legitimacy, profitability and financial assurance (Schot, Johan and Fisher, Kurt, 1993).

These green pressure groups consist of the customer's pressure, government pressure (legislation pressure), investor pressure, community pressure, business-to-business customers pressure and employees' pressure.

Customers Pressure: Consumers are becoming more informed and aware of the environmental influence of consumer products and are thus demanding that industry improves the environmental performance of its products. Today consumers are more enlightened especially in Nigeria; they even seek for sustainable development for their children.

Government Pressure: The fear of serious legislation and the rising costs of complying with environmental regulations and penalties in case of noncompliance are possible rewarding factors

for companies to incorporate environmental concerns in their strategies (Banerjee, 1998). Governments of various countries enact laws concerning pollution control and environmental protection, including Environment (Protection), the Air (Prevention and Control of Pollution) and the Water (Prevention and Control of Pollution) Acts. While environmental legislation represents the main pressure, increasing costs associated with managing emissions are also significant factors. Legislation can lead to different degrees of corporate environmentalism, depending on the level of strategy in which the firm adds environmental concerns. At a purely functional level, responses to legislative pressure can mean complying with existing regulations. At a higher corporate level of strategy, threat of environmental legislation and liability could affect decision on new business opportunities.

Investor Pressure: Investors are increasingly determining the environmental records of potential investments, and some are showing a tendency to invest in Greener companies. This behaviour is based on the expectations that these firms will benefit commercially from their green image and there are efficiency gains associated with the adoption of cleaner technologies (Kahlenborn, and Walter, 1999). A survey exhibited that, among the different kinds of environmental information required by investors, liabilities and litigation were ranked first and second respectively (Mastrandonas and Strife, 1992). The US Securities and Exchange Commission have also mandated that corporation must disclose estimates of current and future environmental expenditures and liabilities. Companies are liable not only for any present damage to the physical environment but also for all future damage and they must disclose the environmental risks known to be potentially significant.

Community Pressure: Local communities represent a powerful pressure for enhanced environmental performance, particularly where firms are located in close proximity to residential

areas. This is applicable to both developed and developing countries. Where problems and nuisance are associated with noise, vibration, and dirty/ foul smell; local communities, both directly and indirectly through complaints to local environmental health departments are capable of bringing considerable pressure to limit environmental issues. Take example of Issele-uku junction by the express where a poultry farm is located; there is hardly any vehicle that drive across without perceiving a foul smell. The result of many national polls tracking environmental issues among the general public indicate that environmental protection remains high on the agenda of the public in many countries, despite increasing economic woes in some areas. Three separate national surveys, conducted in the US more than a decade ago by the Yankelovich Organisation, the Roper Organization and Simmons Market Research Bureau, showed that between 25 % and 43 % of the American population constitute the "Green" segment: consumers who are concerned about the environment (Earle, 1993). Many industries, such as the chemicals industry or the oil industry, by the very nature of their products and processes, have a negative environmental image in the public. This probably exhibit why the most visible polluters such as the chemical industry and the oil industry are the ones that are publicly and privately paying utmost attention to the environmental effect of their operation. A negative public image can affect companies in this industry to adopt corporate environmentalism as a technique to survive and grow in the current marketplace. All the chemical corporations publicly affirm their commitment to environmental protection and have developed environmental mission statements or policy statements.

**Business-to-Business Customers Pressure:** The buyer looks for suppliers who follow environmental friendly processes or Good Manufacturing Practices (GMP).

Employees Pressure: The interests and desire of the work force or trade unions represent potential pressure resulting in lies a strong interest in the environmental performance and health and safety aspects of the plant and animal. Other stakeholders include environmentalist, academicians, scientific community, media, retailers, local government, suppliers and buyers. The attitude and behaviour of the corporate stakeholders suggest that those companies which can establish themselves with a green image will have the following distinct advantages in the marketplace: Positive company image; increased sales and market share; improved employee morale and productivity; access to superior talent and enhanced competitive advantage.

One of the important references vital to review of literature is that of Hentze (1991) who explained that, the decade of the nineties, like the sixties, appears to be an era in which social and cultural concerns were becoming increasingly paramount. As the "me" attitude of the 1980s becomes less prevalent, it is becoming apparent that consumers are looking at far more than a company's product offerings. These more sophisticated consumers are also concerned with a holistic view of corporate image, particularly with regards to social concern and responsibility, and are "Changing their purchasing approach in accordance to their more socially responsible beliefs".

The adoption of a green marketing practice by a firm is a main response to the increased pressures by society for business to meet its comprehensive ethical and moral responsibilities, while adhering to the marketing concept's basic tenants as suggested by McCarthy and Perreault (1984) of meeting customer needs at a profit. In addition, an eco-marketing orientation may provide the firm with a strategic competitive advantage in both domestic and international markets. Crosby, Gill, and Taylor (1981) segmented U.S. consumers by their utilizing

consumers' self-designated "greenness" to segment consumer markets (Schwartz and Miller, 1991).

The "green" consumer point of view cannot be overlooked. In a survey conducted in the United States of 400 Midwestern consumers, 36 percent of the respondents were found to be "very likely" to change from one food brand to another competitive label which used a recycled carton; only 2.8 percent stated that they would be "somewhat unlikely" to make brand changes because of recycled packaging (Eisenhart, 1990). In many cases, mandatory environmental legislation is also forcing behavioral changes in consumers. Business may apply an ecomarketing orientation as a strategic response to the dynamic environments of the nineties (Clarke and Geri, 2004).

In the developed countries, the urge for environmental consciousness is on the increase, where consumers are willing to modify their buying habits – and even pay more for green products in order to protect the environment (Pearce, 1990; Consumer Reports, 1991; Berger and Corbin, 1992; Coddington, 1993; Davis, 1993; McDougall, 1993; Ottoman, 1993). Manufacturers got the message that the Marketing Intelligence Service Consumer Reports (1991), which tracks new product introductions, reports that the percentage of new packaged products making some kind of green claim more than doubled between 1989 and 1990, rising from 4.5% to 11.4% of the total. During the same year, the number of green promotion messages appearing on television and in major print outlets more than quadrupled, according to an audit by the advertising agency (Walter Consumer Reports, 1991). Between 1989 and 1990, firms were hastily setting up various "institutes" and "councils" to establish the green credentials of their products or materials. Unfortunately, The Economist (1990) argues that exaggerated claims of greenery on product packaging and in advertisements may be making consumers cynical. Some

marketers have also used the opportunity to charge higher prices, indicating better quality. Some have gone further and engaged in "green washing". This is where managers of so-called green firms only pay lip service to green issues without actually practicing them. Consequently, green marketing suffered a backlash because of its failure to achieve its promises (Crane, Andrew, 2000).

The basic ideas behind environmentalism states that companies have the responsibilities that go beyond the production of goods and services. These responsibilities involve helping to solve significant social problems, especially those they have helped to create (Buchholz 1991; Porter and Van der Linde 1995; Peattie, 1995). Corporations such as McDonald's, Wal-Mart, Procter and Gamble, and Du Pont acknowledge that the environment must be secured and enhanced for economic growth to take place, and have taken action towards that goal. Wall-Mart encourages the purchase of environmentally friendly products and reports that the green labeling program that they initiated in 1989 contributed to an overall 25% increase in sales for the year. Procter and Gamble has pledged to spend \$20 million per year to develop a composting infrastructure, (Lodge and Rayport, 1991). The Procter and Gamble Company have been under fire by environmentalists mostly for its disposable diapers and its detergents. As a response, Procter and Gamble has applied a strategy that takes the concepts of recycling and reusing to heart, particularly regarding packaging. Still, they have found that the synergistic relationship between issues and trends can yield criticism and consumer resistance. Even though their formula for Cheer laundry detergent (or Ariel outside of the U.S.) has been modified to minimize the amount of phosphates in the product, the company is still being strongly criticized for its overt reliance on animal testing.

In spite of some limitations, green marketing efforts on the part of corporate America continue to grow. As a result of the re-greening of society, environmentalism has slowly become a jingle word for corporate policies of the 1990s. Within the context of business operations, environmentalism is interpreted as a higher level of corporate consciousness geared toward the protection, preservation, and conservation of the physical environment. The intention behind the introduction of eco-labels and organic food labels is to make it possible for the consumers to differentiate products that are less harmful to the environment from other products. Furthermore, consumer's preference for eco-labeled products could give manufacturers of relatively environmentally friendly products a competitive advantage, allowing them to gradually push less environmentally friendly products out of the market. Such competitive advantages could give firms a reward to develop new and more environmental friendly products (Thogersen, 2002).

Suddenly, consumer-product firms are being confronted with millions of newly aroused consumer consciences. Marketers noticed that catering to environmental worries might be the results from a number of studies suggest that two of the major purposes why consumers choose eco-labelled food products are consideration for the environment and/ or for their own health (Davis, Titterington, and Cochrane, 1995; Fotopoulos and Krystallis, 2002; Harper and Makatouni, 2002, D'Amico, and Pecorino, 2002).

## 2.8 Green Products/Packaging

The word *Green* is a term that refers to product and practices as organic sustainable and / or otherwise environmentally friendly. In general, green product is referred to as an ecological product or environmental friendly product (Shamdasami *et al*, 1993) view green product as the product that will not pollute the earth or deplore natural resources, and can be conserved. It is a product that has more environmentally sound content or packaging in reducing the

environmental effect (Elkington and Makeover, 1988; Wasik 1996). In other words, green product means product that incorporates the techniques in recycling or with recycled content, reduced packaging or using less toxic materials to reduce the influence on the physical environment. Krause (1993), in his study discovered that consumers were becoming more concerned about their everyday habits of product usage and the effect on the environment. The result of this is that some of the customers translated their environmental concern into actively purchasing green products commitment (Martin and Simintiras, 1995). A product can be considered green if it.

- (a) Conserves water and energy
- (b) Prevents contributions to air, water and land pollution.
- (c) Protects indoor air quality.
- (d) Use renewable responsibly sourced materials.
- (e) Produces little environmental impact.
- (f) Is manufactured in an environmentally conscious way.
- (g) Using one's own bag rather than a plastic carrier provided by a shop
- (h) Green products are grown originally and have natural elements.
- (i) Green products are ecological, reusable, and biodegradable.
- (j) Green products neither harm nor pollute environment.
- (k) Green products are not experienced on and cruelty to animals.
- (l) Green products are not a threat to the health of human being and animals.
- (m) Green products are not harmful when it is produced or disposed. Its production and disposal is safe and efficient.

- (n) Green products materials are not gotten from the scare species and threatened environments.
- (o) Green products are not contributing to unnecessary waste in its use and packaging.

When the consumer buying decisions starts getting affected by the products' harmful effects on environment, then the manufacturers should recognize the need to produce green products (Uydaci, 2012). In 2009 a survey by Grail Research on 520 green consumers concluded that consumers think that green products reduce the effect on the environment. Study outcome by (Maheshwari, 2014) exhibited a positive relationship between green buying behaviour of consumers and green product features. This means that as the green features of a product multiply, the consumer buying behaviour towards green products also increases. Green product's quality affects the buying behaviour of consumers and so the business organization needs to focus on the quality as well as the greenish awareness of the product (D"Souza et al, 2006).

# 2.8.1 Green Packaging

The world over, packaging is one area where firms are faced with issue of social responsibility which includes concern about the function of packaging in pollution, global warming and resource use. The case of spray cans which scientist discovered that chemicals used in producing them were harmful to the earth's atmosphere which firms scrambled to find alternatives in a clear prove of the negative roll of packaging to the environment. The use of plastic was assumed perfect packaging material until recently, that it has become a global challenge in that discarded plastic does not decay.

In the quest for eco-friendly packaging, some companies like McDonalds that changed its plastic packaging with waxed paper, Coca-Cola, Teta Group of Companies, HLL, Colgate Palm Olive, etc have not only modified their packaging to reduce its negative influence on the

environment but have also invested huge amount of money in various recycling activities. Packaging of the green products can easily win over the customers to buy the green products. This is supported by Ishaswini and Dutta (2011) study. According to them, it takes only few seconds for labels and packages to catch the consumers" eyes because it is very difficult for the consumers to recognize green products. The Massachusetts Department of Environmental Protection (2002) issued report stating that one barrier in the purchase of green products is that consumers are not able to identify them. A study by Promotosh and Sajdul (2011) on young consumers found that on average the utility of green products with regard to health is the highest point of concern, in the same study, 81.56% of young consumers purchase intentions are positive towards green products. But again the biggest problem for translating the purchase intentions into the actual purchase is the low availability of green products (Vermeir and Verbeke, 2004). If the availability of green products is increased, they themselves can play a major fuction in effecting consumers buying behaviour.

# 2.9 Green Pricing

If the price of the green product is kept lower, the consumers will be encouraged to buy the green product (Boztepe, 2012). If the product has relatively high price elasticity, it will be beneficial for manufacturers of green products to keep the prices low. A survey by Grail Research, 2009 on U.S. consumers shows that consumers who never bought green products perceived green products too expensive and so don't buy them. A year later survey reveals that price is the most important factor and it is the main reason for not buying the green products. A positive and significant relationship is found between the price and green buying behaviour of consumers (Boztepe, 2012).

Belz and Peattie (2008) revealed that green marketing influenced consumers would be eager to pay extra cost for the products that do not harm the environment. There are many consumers who would pay extra premium and decide to purchase green products. But the results of study by Rohit Nema (2011) stated that consumers are not willing to pay extra price for green products. The level of willingness exhibited by India consumers is low, this suggests that India marketers should evolve strategies for cutting cost (Nema, 2011). Perceived product price is one of the factors impacting the consumers buying behaviour (D"Souza et al. 2007). He further added that hard core environmentalist does not see price before buying the green product and does not let prices determine their buying behaviour. Having a positive attitude towards green products and recycling is different from willingness to pay more for such products. There can be a pronounced buying behaviour noticed where consumers support the green products and recycling but are not ready to pay extra cost Hansla Gamble, Juliousson, and Garling (2008). There are studies which show where prices impact the consumer buying behaviour for green products and there are studies which contradict this view point. Unless and until discounts are given and promotions are stressed, prices will remain a hurdle Gatersleben et al. (2002).

## 2.10 Green Promotions

It aims to create an image of environment friendly company in the eyes of consumers and also to create awareness about the green products. The promotional tools like public relations, advertising, and promotions are used to achieve the goal. McCarty, and Lowrey (1993) found in a study conducted on 3,690 people that women tend to be more skeptical about advertising and tends to buy green products than men who are indifferent of the advertising and it does not affect their buying behavior.

Companies should advertise their products after giving a critical thought to them. They should promote the utility, design and the functions of the product so as to avoid any misleading information (Yazdanifard, 2014). There is positive relationship between promotions and green buying behaviour of consumers (Morel and Kwakye, 2012). In another paper by Yazdanifard and Mercy, (2011) consumers are affected by the advertisement that shows how much a company is committed towards protecting the environment. A study by Bagheri (2014), exhibited a positive attitude of consumers towards green promotions and their minds are affected by the promotions for green products. The outcome of this study also agrees with the study by Hajeqrari (2014) and Boztepe (2012). In a study on 238 students Purohit (2011), concluded that majority (96%) of the respondents agree that they will be more inclined towards green promotions. Promotional campaigns that are directed to protect the environment are more preferable (Purohit, 2011). A study revealed 63.2% of the respondents believed that in the buying process the effects of green promotion is high while for 36.8% of respondents it is medium (Ashoorvan, 2014). From the previous studies, it can be concluded that green promotions effect consumer buying behaviour in a positive fashion.

## 2.11 Consumer Purchase Behaviour

Consumer behaviour is the study of consumers, groups of consumers, or firms and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the influence that these processes have on the consumer and society (Kuester, 2012). It attempts to understand the decision-making processes of customers, both individually and in groups such as how emotions affect buying behaviour (Lynn and Angeline, 2011). It studies features of individual customers such as demographics, personality lifestyles and behavioural variables such as usage rates, usage occasion, loyalty, brand advocacy,

willingness to provide referrals, in an attempt to understand consumer's wants and consumption. It also tries to assess influences on the consumer from groups such as family, friends, sports, reference groups, and society in general (Elizabath and Lynn, 2014).

Consumer buying behavior is the consumer's attitudes, intentions, preferences, and decisions regarding the consumer's behaviour when purchasing a product or service. The study of consumer behaviour is centered on all aspects of purchasing and consumption behavior as well as all persons involved in purchasing and consumption activities. Studies have shown that consumer behaviour is difficult to predict, even for experts in the field (Amstrong, 1991).

Some consumer purchase decisions involve long, detailed processes that include extensive information search to select between competing alternatives (Belch, Kerr and Powell, 2009). Other purchase decisions, such as impulse buys, are made almost instantaneously with little or no investment of time or effort in information search. Consumers evaluate alternatives in terms of the functional and psycho-social benefits offered (Belch, Belch, Kerr and Powell, 2009). Functional benefits are the tangible results that can be experienced by the consumer such as taste or appearance. Psycho-social advantages are the more abstract outcomes such as the social currency that might accrue from wearing an expensive suit or driving a 'hot' car. Brand image is a significant psycho-social attribute. Kotler *et al.*, (2014) stated that the consumer applies certain beliefs to a given brand. The consumer's beliefs may differ depending on the consumer's prior experience and the impacts of selective perception, distortion and retention.

Once the alternatives have been evaluated, the consumer is ready to make a purchase decision. Though sometimes purchase intention may not translate into an actual purchase. The extent to which purchase intentions result in actual sales is called sales conversion rate. Firms use a variety of strategies to improve conversion rates. The provision of payment terms can

encourage purchase. Sales promotions such as the opportunity to receive a premium or enter a competition may provide a reward to buy now rather than later. Advertising messages with a strong *call-to-action* are yet another device used to convert customers. A call-to-action might include an offer that is only available for a limited time (e.g. 'Offer must expire soon'; 'Limited stocks available') or a special deal usually accompanied by a time constraint (e.g. 'Order before midnight to receive a free gift with your order'; 'Two for the price of one for first 50 callers only'). The key is to provide consumers with compelling purpose to purchase promptly rather than defer purchase decisions.

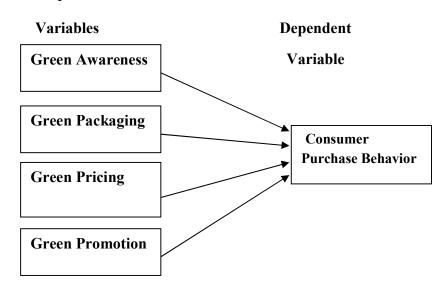
Purchasing behaviour is also affected by a range of psychological, demographic and personality components such as demographics, psychographics (lifestyle), personality, environment, motivation, knowledge, attitudes, beliefs, feelings and prior experience with the category or brand. Psychological components include an individual's motivation, attitudes and beliefs, while personal components include income level, personality, age, occupation and lifestyle. The consumer's underlying motivation drives actions, including information search and the purchase decision.

Part of the marketing techniques is to ascertain how customers gain knowledge and use information from external sources. The perception process is where consumers receive, organize and interpret information in order to attribute some meaning. Perception consists of three distinct processes: sensing information, selecting information and interpreting information. Sensation is also part of the perception process, and it is linked directly with the responses from the senses creating some reaction towards the brand name, advertising and packaging. The process of perception is uniquely individual and may depend on a combination of internal and external indicators such as experiences, expectations, needs and the momentary set. Consumer purchase

behavior is therefore defined as final consumer bahaviour during the purchase. There are four types of purchase behavior which includes: complex purchase behavior, those purchase behaviors that seek variety, purchasing behavior that seeks to reduce tensions after purchase, normal purchasing behavior (Kotler and Armstrong, 2010). It is based on the above findings that marketers tend to employ the consumers to help protect the environment with their activities. Since their knowledge and awareness about the environment are directly related to their intended purchasing.

# 2.12 Conceptual Framework

## Independent



**Source: Researchers Model (2016)** 

The development of the notion of environmental awareness as forms of environmental literacy, is a relevant phenomenon. There is clear validity in responding to at least some environmental features as texts in them. Environmental texts are not merely pieces of discourse about the environment. (Stables, 1996). In addition to an acceptance of (at least certain aspects of) the environment as text, it is important to acknowledge the broader cultural importance of the ways in which we perceive and understand our environments (Soetaert and Van Kranenburg,

1997). Our principal aim is to encourage you to use literature and the media in ways which will awaken children to the possibility that their ideas about the environment could be influenced through the written word.

Over the last decade, consumer consumption of products and services has increased geometrically across the globe, leading to depletion of natural resources and severe damage to the natural environment (Chen and Chai, 2010). Some of the serious problems of environmental damage are global warming, increased environmental pollution, and decline in flora and fauna (Chen and Chai, 2010). Various countries across the globe are beginning to realize this threat and have started working towards minimizing the harmful effect of their business operations on the natural environment. This realization and concern towards the physical environment and the society has led to the emergence of 'sustainable development' which emphasizes the need to promote sustainability and advocates for development which reduces negative effect on the environment and society. Sustainable development further encourages eco innovation and green consumption. Eco innovation centers on incorporating environmental sustainability practices at every stage of producing goods and services (Veleva and Ellenbecker, 2001). Green consumption on the other hand, is related to environmentally responsible consumption where consumers consider the environmental influence of purchasing, using, and disposing of various products, or using various green services (Moisander, 2007).

The need for consumers to develop environmental attitudes towards our ecosystem cannot be over emphasized. Environmentally responsible purchasing is important as unplanned purchasing of goods can severely damage the environment. Grunert (1995) exhibited that consumer household purchases were responsible for 40% of the environmental damage. Consumers possess the ability to avoid environmental damage by purchasing green products.

This gap between consumers' favourable attitude towards and actual purchase behaviour of green products is referred to as 'green purchasing inconsistency' or 'green attitude-behaviour gap'. Olander and Thøgersen (1995) introduced Motivation–Ability–Opportunity (MAO) model for understanding consumer behaviour. MAO model used two dimensions - ability and opportunity, as indispensable requirement to green consumer behavior. The ability dimension incorporates both habit and task knowledge, whereas the opportunity dimension incorporates facilitating conditions or 'opportunity' to perform the behaviour.

According to this model, consumers' positive attitude will lead to desired behaviour only if they have the capability and the opportunity to carry out the expected behaviour. For instance, green purchase will not occur without easy availability of green products. Recently, Phipps et al. (2013) introduced reciprocal deterministic theory to understand sustainable consumer behavior. This model emphasized the relevance of past behavior and considered it as an indicator of future sustainable behaviour. The model suggests that personal indicators such as attitude, along with past sustainable behaviors and sociocultural environments, affect future sustainable behavior. It is thus clear from the above discussion that consumer behavior is not only affected by attitude, but also by various other personal and situational indicators. Further, these dimensions can either strengthen or weaken the strength of attitude-behavior relationship.

Price as a factor is purchasing powers which sometimes determine a consumer purchase behavior. As a socially responsible consumer, the green consumer takes into cognizance the public consequences of his or her private consumption and attempts to use his or her purchasing power to bring about social change (Moisander, 2007). Promoting green purchase behavior means motivating and persuading prospective customers to purchase environmental friendly products. Green Packaging is the development and use of packaging strategies which results in

improved sustainability. This is necessary as it reduces negative environmental impact on ecosystem. Green Participation is a strategic planning concept that is able to address environmental, social and even economic problems by supplying a variety of benefits for society.

## 2.13 Theoretical Framework

#### 2.13.1 ABC Model of Attitudes

This is used to describe Green Marketing; ABC Model of Attitudes stresses the interrelationships between knowing, feeling and doing. Highly experienced researchers have in agreement that an attitude has three indicators of affect, behaviour and cognition. The effect category explains as the emotions and feelings of people towards an object, for example, a product. Behavior relates the actions and intentions of attitude towards an object or product which can be favourable or unfavourable and cognition can be explain as the beliefs a consumer has for the attitude object which be negative or positive (Solomon et al, 2010). The consumers' attitudes affect their thoughts and feelings and thus influence behavour such as purchasing behaviour's – cited by Picket – Baker and Ozaki, (2008), Ajzen (2005). The past experience of the green products could result to positive or negative towards them which could influence the behavior of the consumer whether to purchase the eco-friendly products or not.

Picket, Baker and Ozaki, (2008), stated in their research that environmentally conscious consumers were likely to purchase brands that they knew were produced by companies whose goods and production method were more "environmentally friendly". The experience and satisfaction of the green products have great impact on the feeling and action of the consumers' attitude. For instance Lifestyle of Health & Sustainability (LOHAS) consumers have more positive attitude towards eco-friendly products, have the belief that the products are healthy (Solomon et al, 2009).

The experimental hierarchy of effects means that "consumers act on the basis of their emotional reaction". Although the factors of beliefs and behavior are recognized as playing a part, a consumer's overall evaluation of an attitude object is considered by many to be the core of an attitude (Solomon *et al*, 2010). So according to this approach, attitudes can strongly be affected by intangible product attributes such as package design, and by consumers' reactions to accompanying stimuli such advertising and even the brand name, (Solomon *et al*, 2010).

The functional and Hedonic values can also be included in the consumer decision making process. Hedonic consumption is the multisensory, fantasy, and emotional aspects of consumer's interactions with the products (Solomon et al, 2010). Hedonic motivations represent for consumers "how the products makes them feel or the fun its use will provide" (Solomon et al, 2010). Authors such as Babin et al (1994) showed that in the consumer purchase behaviour hedonic and utilitarian values have importance (not only the utilitarian one). Deli-Grey et al in their article "Hedonic and functional shopping values in everyday product purchase: findings from the Indian study" 2011, demonstrated that hedonic factors play a role in the purchase of everyday products proving that hedonic value is not only associated to the purchase of luxury products. In their study, they chose six products (coffee, detergent, shampoo, orange juice, cellular phone and wrist watches). The results showed that hedonic and emotional feelings have importance during the decision making process but are both hedonic and utilitarian aspects. However the functional content scores were the lowest for coffee and shampoo. For example, the hodonic value of the detergents and shampoo was the lowest Deli-Gray et al 2011. It therefore shows that hedonic attitudes are also linked to purchase to purchase of everyday products like those (FMCG products).

#### 2.13.2 Nicosia Model of Consumer Behaviour

This model explains the consumer behavior on the basis of four fields shown in the diagram.

The output of field one becomes the input of field two, and so on.

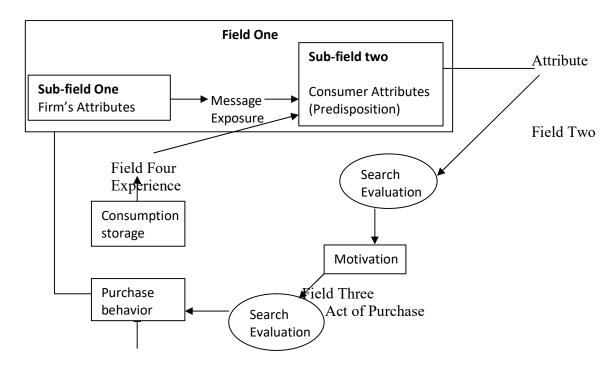


Figure 1: Nicosia Model of Consumer Behaviour

**Source:** Nicosia, Francesco M., Consumer Decision Processes, Engelwood Cliffs, N.J., Prentice Hall, 1966, 156. In Schifman, L.G. and Kanuk, L.L., Consumer Behavior, 3rd Edition, Prentice Hall

Field one consists of subfields one and two. Subfield one is the firm's attributes and the attributes of the product. The subfield two is the predisposition of the consumer and his own attributes, which are affected by his exposure to various information and message, and is responsible for the building attribute of the consumer. Field two is the reaction field, where the consumer goes on for research and evaluation and gets motivated to buy the product. It

highlights the means and end relationship. Field three is the act of purchase or the decision-making to buy the product. The customer buys the product and uses it. Field four highlights the post-purchase behavior and the use of the product, its storage and consumption. The feedback from field four is fed into the companies attributes or field one, and the feedback from the experience is responsible for changing the pre-disposition of the consumer and later his attitude towards the product. Nicosia Model is an in-depth model of dealing with all aspects of building attributes, purchase and use of product including the post-purchase behavior of the consumer.

# 2.14 Review of Empirical Studies

A study by Nabsiah (2011) assessed the effect of green marketing instruments on consumer's actual purchase behaviour. A survey was carried out on 250 Chinese, Malaysia, Indian and other races that represent the Malaysia population. Factor analysis, Cronbach alpha and multiple regressions were used to identify component impact on Penang consumers actual purchase behaviour. The result showed that customer's trust in eco-label and eco-brand and their perception of eco-brand show positive and significant effect on their actual purchase behaviour.

In Pakistan, Ansar, (2013) studied the impact of green marketing and consumer purchase intent, to assess the determinants of consumer intentions to buy green products. Inclusion criteria for the respondents were at least 14 years of training and a minimum age of 19 years. Green products and green marketing indicators affecting the purchase decisions of customers Rajyalaxoni (2013), to study the issues and trends and to develop a better understanding of what is a green product.

Lee (2009) in his study examines how gender differences affects attitudes to the environment, green behavior among young consumers relates with the environment of Hong Kong to the conclusion that young women score significantly more environmental attitudes,

respond positive to the environment and are environmentally sensitive than men in green product patronage in Hong Kong's shopping behavior. Cheah (2009) study in Malaysia attempted to answer the question of whether there are environmental concerns or not to conclude that a significant role in environmental behavior is concerned.

In a similar study in Hong Kong, Lee (2008) examined the effects of social, attitude, environmental concerns, understanding the significance of environmental issues, responsibility, understanding behavior, and ultimately self-image concern in the minds of people who purchase green products in the population of young people 13 to 20 years was conducted. Chamaro and others (2006) in their article in the field of green marketing has been done since the 1970 classification, and with the aid of this research can reveal way for future studies in the field of green marketing.

Soonthensmai and Vatichat (2001) study focused to predicts intention to buy products that are "environmentally friendly among Thai consumers. It was observed that concluded subjective norm played a major role in planning to buy a green product and the intention to purchase, a key predictor of actual behavior. In a study Lalit (1998) investigated buying behaviour of cosmetics among Thai consumers, it concluded that Thai consumers buy green products and cosmetics, for good value for money, yield and safety are the basis for the skin.

Schlegelmilch, Bohlen, and Diamantopoulos (1996) examined the relationship between green purchasing decisions and awareness of natural environmental issues and have concluded that consumer awareness of environmental issues that affect the purchasing decisions; it may also be affected by other factors moderating it. Vandermerwe and Oliff, (1990) in a survey showed that 92% of multinational companies in Europe claimed that their products are green in response to concerns, and 85% claimed that they had to change their production systems.

# 2.15 Summary

This chapter reviewed previous studies, opinions, comments, document and observations related to Green marketing and its Indicators. Green marketing is the marketing of products that are environmentally preferable to others. Thus green marketing consist of a large range of activities, that include product innovation, changes to the manufacturing process, sustainable packaging, as well as innovating advertising. Green Packaging offers high-quality compostable packaging that is a sustainable alternative to plastic, paper and styrofoam for a greener planet. Green pricing is an optional utility service that allows consumers an opportunity to assist a greater level of utility firm investment in renewable energy technologies. Participating consumers pay a premium on their electric bills to cover the incremental cost of the additional renewable energy. Green advertising is a specific type of advertising that is focused on the promotion of factors having to do with the environment. Consumer purchasing behavior is the consumer's attitudes, preferences, intentions, and decisions regarding the consumer's behaviour when buying a product. The study structured a conceptual framework in line with the indicators of green marketing.

The chapter reviewed ABC Model of Attitudes and Nicosia Model of Consumer Behaviour to support the study. The study conducted by Nabsiah (2011); Ansar (2013); Lee (2009); Cheah (2009); Hong Kong and Lee (2008); Soonthensmai and Vatichat (2001); Lalit (1998); Schlegelmilch, Bohlen, and Diamantopoulos (1996) were all reviewed. These previous studies didn't focus on the impact green marketing may have on consumer purchase behavior in fast moving consumer goods industry in Nigeria. Therefore, the study is aimed at determining the impact of green marketing on consumer purchase behavior in the fast moving consumer goods industry in Nigeria.

## **CHAPTER THREE**

#### RESEARCH METHODOLOGY

## 3.1 Introduction

Research methodology is a way to systematically solve the research problem. It provides a guide or framework for collection of data. Graziano and Raulin, (2004), explained that since research involves a process of asking and answering such questions can therefore depend on several factors. This chapter involves methods and techniques for conducting this research work. Some of the topics covered under this chapter include research design, area of study, population of study, sample and sampling procedure, instrument for data collection, validation of the research instrument, method of data collection and data analysis techniques.

# 3.2 Research Design

Research design according to Olannye (2006) is the techniques and framework for carrying out a research. It can be described as a comprehensive blueprint used to guide a study towards its objectives. The type of research design that was used in this work is the survey research design. As generally conceived, a survey research is one in which a group of items are studied by gathering and analyzing data from only a few items (sample) viewed to be representative of the entire group. Survey research method was adopted because it deals mainly with opinions and is widely used in management or social sciences research, etc. Thus, findings from this are expected to be generalized to the entire population.

# 3.4 Population of the Study

This refers to the target population. The aggregate number of persons from which this study sample was drawn is estimated at 463 employees, all of which are employees of various manufacturing firms of fast moving consumer goods in Lagos State. The population here in this research work refers to all cadres of employees of the selected manufacturing firms in Lagos State Nigeria, and is presented thus in the table below:

Table 3.1: showing the population spread of manufacturing firms staffs.

S/N	Manufacturing Firms	No of Employees
1	Chi Limited	85
2	Dufil Prima Foods	79
3	Flour Mills Nigeria	84
4	Johnson Wax Nigeria Limited	78
5	Nestle Nigeria Plc	72
6	PZ Cussons	82
7	Unilever Nigeria	84
8	Lever Brothers Plc	75
9	7up Bottling Company Plc	78
10	AG Leventis Plc	74
11	Nigeria Bottling Co.Plc	85
12	Crown Drinks Ltd	84
Total		960

Source: Human Resources Department of Manufacturing Firms.

# 3.5 Sample and Sampling Procedure

Sample is the proportion or subset of the population which is studied in place of the entire population. The sample size for the study (282 employees) was determined by Yaro Yamen sample size formula. The sampling technique of simple random sampling was adopted. This is to ensure that all sample elements have equal chances of being selected in order to achieve a corresponding and reliable result. This states as thus;

$$n = \frac{N}{1 + N(e^2)}$$

Where;

n = the required sample size to be captured;

N = the total number of members in the population;

e = the tolerable error margin for the selection of appropriate representative unit of the population.

$$n = 960$$

$$1 +960 (0.05)^{2}$$

$$n = 960$$
 $= 282$ 

A total number of 282 respondents were selected from the manufacturing firms in Lagos State.

## 3.6 Instrument for Data Collection

Questionnaire was the instrument for data collection in this present study. Olannye (2006), defined questionnaire as an instrument for gathering data from respondents to aid in finding solution to research problem. The questionnaire was divided into two sections - (A and B) containing questions on respondents profile and another in closed ended questions pattern. The likert scale of point 5 was used for the closed ended questions. They are as follows:

$$5$$
 = Strongly Agree (SA)

4 = Agree(A)

3 = Undecided(U)

- 2 = Disagree (D)
- 1 = Strongly Disagree (SD)

# 3.7 Validity of Research Instrument

To validate the instrument for data collection, the questionnaire was given to renowned experts from the department of Business Management and Marketing, Delta State University, Asaba Campus. This was to establish the face and content validity of the instrument. Consequently, adjustments and corrections were affected to ensure that it elicits the desired information. This was aimed at ensuring that the questionnaire measured what it ought to measure.

# 3.8 Reliability of Research Instrument

For the reliability, which is seen as the degree to which a measuring instrument produces similar outcomes when repeated. To establish the reliability of the instrument, a test-retest method was employed. For the purpose of this research, the Cronbach Alpha reliability estimation means was used to test the consistency of the questionnaire item. It involves the administration of a single measurement instrument to a group of people on one occasion to estimate reliability according to Trochims (2006). CA provides an estimate of the indicator inter correlations, an acceptable measure for CA is 0.7 or higher, while bellow 0.6 connotes week reliability (Seckaran, 2003). From table 3.2 below the calculated CA is 0.824 and is higher than the recommended acceptable measure of CA 0.7 which makes measurement of the model reliability accepted.

**Table 3.2 Reliability Statistics** 

**Reliability Statistics** 

	•	
	Cronbach's Alpha Based	
	on	
Cronbach's	Standardized	
Alpha	Items	N of Items
.824	.822	20

# 3.9 Method of Data Collection

Data was collected through primary and secondary sources. Questionnaire administered to respondents was the primary data source. The internet as well as the library constituted the secondary data collection medium. This includes journals, newspapers, magazines, textbooks, research findings reports, etc.

# 3.10 Data Analysis Techniques

In this study, statistical techniques of data analysis were used. The list includes: descriptive statistics, correlation and regression analysis. The descriptive statistics made use of simple percentage to analyze the questionnaire response from pattern; background profile. While inferential statistical tool that was engaged was correlation and linear regression, correlation was used to reveal the pattern of responses from each of the constructs in the sub-scale. While linear regression was for the purpose of ascertaining the strength of relationship that exist among variables, determine to what extent the independent variable accounted for change on the dependent variable, as well as to test the statistical significance that exists among variable respectively. Simple regression analysis was used because it is good at determining the statistical relationship between two or more variables and to make predictions of one variable on the basis

of the other according to Olannye (2006). They were employed using the statistical package for social science (SPSS) software version 23.

# 3.11 Measurement of Variables

The Likert-type scale is basically for accuracy, he distinguished between a proper scale and an improper scale, which emerges from collective responses to a set of items. Likert made a clear distinction between the underlying phenomenon being investigated and the means of capturing variation that point to the underlying phenomenon. His questionnaire items are meant for respondents to specify their level/degree of agreement or disagreement on a symmetric agreedisagree scale for a series of statements. The five response categories are often believed to represent an Interval level of measurement. But this can only be the case if the intervals between the scale points correspond to empirical observations in a metric sense.

The format is as follows:

- 5 = Strongly Agree (SA)
- 4 = Agree(A)
- 3 = Undecided (U)
- 2 = Disagree (D)
- 1 = Strongly Disagree (SD)

# 3.11.1 The Statistical Model

$$CPB = F(GA, GP, GP, GP)$$

$$CPB = \beta_0 + \beta_1 GA + \beta_2 GP + \beta_3 GP + \beta_4 GPR + \epsilon$$

# Where CPB = Consumer Purchase Behaviour (Dependent Variable)

# **Predictor Variables**

Where;  $\varepsilon = \text{Error Term}$ 

 $B_o = Intercept/ Constant$ 

 $B_1 - B_4 = Coefficients$ 

GA= Green Awareness

GP = Green Packaging

GP= Green Pricing

GPR = Green Promotions

#### **CHAPTER FOUR**

# RESULTS AND DISCUSSION

## 4.1 Introduction

This chapter is concerned with the presentation and analysis of data and information collected through questionnaires administered the selected manufacturing firms in Lagos State Nigeria. The data presented and analyzed in this study is categorized into three parts: the first is the descriptive analysis of the respondents profile and responses with percentage. The second is the multiple regression analysis of the research questions and their respective variables. The third is the testing of hypothesis formulated for the study.

## 4.2 Presentation of Data

The analysis from the field survey is presented below in tabular form:

Table 4.1 Analysis from the field survey

Pattern focused	Number administered	Number returned	Number used	Percentage used
Employees	282	281	279	99%

Source: Distributed Questionnaire

Out of the 282 sets of questionnaire administered, 281 were returned, 2 were not properly filled, and 279 were useable. Therefore, the analysis in this chapter is based on the usable sample size of 279.

**Table 4.2: Frequency Analysis of Respondents Profile** 

S/N	Variables	Frequency	Percentage
			(%)
1	Gender:		
	Male	176	63
	Female	103	37
	Total	279	100
2	Age Range:		
	15-20 years	65	23
	21-30 years	69	25
	31-40 years	67	24
	41 years and above	78	28
	Total	279	100
3	Marital Status:		
	Single	164	59
	Married	115	41
	Total	279	100
4	Educational Qualification:		
	WAEC/GCE/NECO	68	24
	OND/NCE	88	32
	HND/B.Sc	82	29
	Master	31	11
	Others	10	4
	Total	279	100

Source: Field Survey, 2016.

The above table reveals the background characteristics of the various respondents for analytical purposes representing 99% of the sample size. On the background profile of the respondents, the findings is represented and analyzed in approximation to total percentage as shown and discussed thus. The above table reveals the background characteristics of the various respondents. It indicated on the gender composition that 176 of the respondents representing 63% of the sample were males while 103 being 37% were females.

The age bracket of the respondents shows that 65 of the respondents being 23% were between 15-20 years of age; 69 of the respondents representing 25% falls within the age bracket of 21-30 years of age; also 67 of the respondents representing 24% falls within the age bracket of

31-40 years of age and lastly, 78 of the respondents being 28% of the sample were above 41 years of age and above. The marital composition of the respondents indicated that; 164 of the sample respondents were single being 59%. While 115 other respondents being 41% were married.

On the educational background of the sample, it was revealed that most of the respondents have a high level of those with tertiary background with 88 respondents representing 32% being OND/NCE holders; 82 respondents being 29% of the sample size were HND/B.Sc holders of sort; 68 respondents being 24% were WAEC/GCE/NECO holders while 41 respondents being 15% were post graduate degree holders.

# 4.3 Analysis of Other Research Data

The analysis of the other research data as well as the testing of the earlier postulated hypotheses in previous chapter is carried out here for the purpose of arriving at a conclusion and generalization.

**Research Question One:** What is the relationship between green awareness on consumers' purchase behaviour?

Table 4.3: Frequency Analysis of Green Awareness and Consumers' Purchase Behaviour

S/N	Statement	Scale				
		SA 5	A 4	U 3	D 2	SD 1
1.	Green marketing activities are good at addressing	186	68	19	3	3
	environmental issues	(66.7)	(24.4)	(6.8)	(1.1)	(1.1)
2.	Green products are healthier	127	114	33	5	-
	products	(45.5)	(40.9)	(11.8)	(1.8)	-
3.	Companies that focus on environmental concerns	130	85	57	4	3
	persuade consumers to buy green products	(46.6)	(30.5)	(20.4)	(1.4)	(1.1)
4.	I have never heard about environmental aspect of a	117	101	47	9	5
	product and so it has no effect on my purchase decision.	(41.9)	(36.2)	(16.8)	(3.2)	(1.8)

Source: Analysis of field Survey, 2016

The descriptive statistics showing the pattern of sample response, in relationship to green awareness and consumers' purchase behaviour questionnaire items as indicated on table 4.3 above. A total of 254(91.1%) of the respondents agreed that green marketing activities are good at addressing environmental issues, 19(6.8%) were undecided, while 6(2.2%) of the respondents disagreed to the above statement. A total of 241(86.4%) of the respondents agreed that green products are healthier products, 33(11.8%) were undecided, while 5(1.8%) of the respondents disagreed to the statement. To the statement companies that focus on environmental concerns

persuade consumers to buy green products 215(77.1%) of the respondents agreed, 57(20.4%) were undecided while a total of 7(1.5%) disagreed to the statement. To the statement I have never heard about environmental aspect of a product and so it has no effect on my purchase decision 218(78.1%) of the respondents agreed, 47(16.8%) were undecided while a total of 14(5%) disagreed to the statement.

Research Question Two: What is the impact of green packaging on consumers' purchase behaviour?

Table: 4.4 Frequency Analysis of Green Packaging and Consumers' Purchase Behaviour

S/N	Statement	Scale				
		SA	A	U	D	SD
		5	4	3	2	1
5.	It is important to me that the	184	70	19	4	2
	products I use do not harm the					
	environment	(65.9%)	(25.1%)	(6.8%)	(1.4%)	(0.7%)
6.	I consider the potential	135	111	26	7	-
	environmental impact of my					
	actions when making many of					
	my purchase decisions	(48.4%)	(39.8%)	(9.3%)	(2.5%)	-
7.	Product packaging should be	127	87	55	6	4
	modified to suit the					
	environment	(45.5%)	(31.2%)	(19.7%)	(2.2%)	(1.4)
8.	My purchase habits are	120	107	41	6	5
	affected by my concern for our					
	environment	(43%)	(38.4%)	(14.7%)	(2.2%)	(1.8%)

Source: Analysis of field Survey, 2016

The descriptive statistics indicating the pattern of sample response, in relationship to green packaging and consumers' purchase behaviour questionnaire items as indicated on table 4.4 above. To the statement it is important to me that the products I use do not harm the environment, 254(91%) of the respondents agreed, 6(2.1%) disagreed, while 19(6.8%) were undecided. To the statement I consider the potential environmental impact of my actions when making many of my purchase decisions, 246(88.2%) of the respondents agreed, 26(9.3%) of the

respondents were undecided while 7(2.5%) of the respondents disagreed. 214(76.7%) of the respondents agreed that product packaging should be modified to suit the environment, 10(3.6%) disagreed, while 55(19.7%) were undecided. A total of 227(81.4%) of the respondents agreed that their purchase habits are affected by their concern for the environment, a total of 41(14.7%) were undecided while 11(4%) disagreed to the statement.

**Research Question Three:** How does green pricing affect consumers' purchase behaviour?

Table 4.5: Frequency Analysis of Green Pricing and Consumers' Purchase Behaviour

S/N	Statement	Scale				
		SA	A	U	D	SD
		5	4	3	2	1
9.	I feel that green friendly products are priced higher	192	62	20	4	1
	when compared with conventional products	(68.8%)	(22.2%)	(7.2%)	(1.4%)	(0.4%)
10.	Green products have better quality and or performance	140	113	20	6	-
	than conventional products	(50.2%)	(40.5%)	(7.2%)	(2.2%)	-
11.	I am willing to pay more for good quality products – green	151	79	42	5	2
	products	(54.1%)	(28.3%)	(15.1%)	(1.8%)	(0.7)
12.	Price of green products affects my purchase behaviour	134	99	36	10	-
		(48%)	(35.5%)	(12.9%)	(3.6%)	-

Source: Analysis of field Survey, 2016

The descriptive statistics indicating the pattern of sample response, in relationship to green pricing and consumers' purchase behaviour questionnaire items as indicated on table 4.5 above. A total of 254 (91%) of the respondents agreed that they feel that green friendly products are priced higher when compared with conventional products, 5(1.8%) of the respondent disagreed, while 20 (7.2%) of the respondents were undecided. 253(90.7%) of the respondents agreed that green products have better quality and or performance than conventional products, 20(7.2%) of the respondents were undecided, while 6(2.2%) of the respondents disagreed. A

total of 230 (82.4%) of the respondents agreed that they are willing to pay more for good quality products – green products, 42(15.1%) of the respondents were undecided, while 7 (2.5%) disagreed. A total of 233 (83.5%) of the respondents agreed that price of green products affects their purchase behaviour, 10(3.6%) of the respondents disagreed, while 36 (12.9%) of the respondents were undecided.

**Research Question Four:** What is the effect of green promotion on consumers' purchase behaviour?

Table 4.6 Frequency Analysis of Green Promotion and Consumers' Purchase Behaviour

S/N	Statement			Scale	Scale			
		SA	A	U	D	SD		
		5	4	3	2	1		
13.	Is important to educate	190	65	16	6	2		
	customers to use products in							
	environmental friendly manner	(68.1%)	(23.3%)	(5.7%)	(2.2%)	(0.7%)		
14.	Promoting products through	140	109	25	5	_		
	eco-friendly modes of							
	communication can change							
		(50.20/)	(20.10/)	(00/)	(1.00/)			
	consumer purchase perception	(50.2%)	(39.1%)	(9%)	(1.8%)	-		
	of green products							
15.	I believe that an individual can	151	72	48	5	3		
	do much to promote the							
	environment	(54.1%)	(25.8%)	(17.2%)	(1.8%)	(1.1)		
16.	Government and firms are not	160	87	29	1	2		
	doing enough to promote green							
	products	(57.3%)	(31.2%)	(10.4%)	(0.4%)	(0.7%)		

Source: Analysis of field Survey, 2016

The descriptive statistics showing the pattern of sample response, in relationship to green promotion and consumers' purchase behaviour questionnaire items as indicated on table 4.6 above. A total of 255(91.4%) of the respondents agreed that green promotion is important in educating customers, to use products in environmental friendly manner, 16(5.7%) were

undecided, while 8(2.9%) of the respondents disagreed. To the statement promoting products through eco-friendly modes of communication can change consumer purchase perception of green products, 249(89.3%) of the respondents agreed to the statement, 25(9%) of the respondents were undecided, while 5(1.8%) of the respondents disagreed. 223(79.9%) of the respondents agreed that they believed that an individual can do much to promote the environment, 8(2.9%) disagreed, while 48(17.2%) of the respondents were undecided. 247(88.5%) of the respondents agreed to the statement that government and firms are not doing enough to promote green products, 29 (10.4%) of the respondents were undecided while 3(1.1%) of the respondents disagreed.

**Research Question Five:** What is the effect of consumer purchase behaviour on green products?

Table 4.7 Frequency Analysis of Consumers' Purchase Behaviour and Green Products

S/N	Statement	Scale				
		SA	A	U	D	SD
		5	4	3	2	1
17.	It is difficult for brand loyalist	167	75	25	6	6
	to change their choice of					
	product	(59.9%)	(26.9%)	(9%)	(2.2%)	(2.2%)
18.	Waiting for more innovative	94	131	47	7	-
	product can bring delay					
	between the purchase decision					
	and actual purchase	(33.7%)	(47%)	(16.8%)	(2.5%)	-
19.	Company's marketing strategy	103	97	68	8	3
	of green products can influence					
	purchase decision	(36.9%)	(34.8%)	(24.4%)	(2.9%)	(1.1)
20.	Engaging in comparison	88	116	59	13	3
	shopping can affect					
	consumer's purchase decision	(31.5%)	(41.6%)	(21.1%)	(4.7%)	(1.1%)

Source: Analysis of field Survey, 2016

The descriptive statistics showing the pattern of sample response, in relationship to consumer purchase behaviour and green products questionnaire items as indicated on table 4.7

above. A total of 242(86.8%) of the respondents agreed that it is difficult for brand loyalist to change their choice of product, 25(9%) were undecided, while 12(4.4%) of the respondents disagreed. To the statement waiting for more innovative product can bring delay between the purchase decision and actual purchase, 225(80.7%) of the respondents agreed to the statement, 47(16.8%) of the respondents were undecided, while 7(2.5%) of the respondents disagreed. 200(71.7%) of the respondents agreed that a company's marketing strategy of green products can influence purchase decision, 11(4%) disagreed, while 68(24.4%) of the respondents were undecided. 204(73.1%) agreed to the statement that engaging in comparison shopping can affect consumer's purchase decision, 59(21.1%) of the respondents were undecided while 16(5.8%) of the respondents disagreed to the statement.

**Table 4.8: Model Summary for Multiple Regressions** 

**Model Summary** 

			Adjusted R	Std. Error of
Model	R	R Square	Square	the Estimate
1	.796 <sup>a</sup>	.634	.629	1.3175

a. Predictors: (Constant), green promotion, green pricing,

green awareness, green packaging Source: Analysis of field Survey, 2016

Table 4.8 showed what percentage (%) of variability in the dependent variable is accounted for by all of the independent variables together. It shows that change in consumers' purchase behaviour which is brought about by the variables of green marketing by 63.4% (.634) as indicated by the R<sup>2</sup> value. The independent variables explain 63.4% of the variability of the dependent variable.

**Table 4.9: Fitness of the Model** 

### **ANOVA**<sup>a</sup>

Mo	del	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	823.969	4	205.992	118.668	.000 <sup>b</sup>
	Residual	475.630	274	1.736		
	Total	1299.599	278			

- a. Dependent Variable: consumer purchase behaviour
- b. Predictors: (Constant), green promotion, green pricing, green awareness, green packaging

The F-ratio in table 4.9 tests whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable, F(4, 274) = 118.668, p < .0005 (i.e., the regression model is a good fit of the data).

Table 4.10: Regression Analysis of Green Marketing and Consumers' Purchase Behaviour

### Coefficients<sup>a</sup>

		Unstandardized		Standardized			
		Coeffi	cients	Coefficients			
Mode	el	В	Std. Error	Beta	T	Sig.	
1	(Constant)	-1.884	.938		-2.009	.045	
	green awareness	.302	.048	.295	6.252	.000	
	green packaging	.467	.054	.420	8.679	.000	
	green pricing	.274	.051	.238	5.402	.000	
	green promotion	.020	.057	.016	.348	.728	

a. Dependent Variable: consumer purchase behaviour

Source: Analysis of field Survey, 2016

The general form of the equation to predict CPB =  $\beta_o + \beta_1 GA + \beta_2 GP + \beta_3 GP + \beta_4 GPR + \epsilon$ CPB= -1.884 + (0.302×GA) + (0.467×GP) + (0.274×GP) + (0.020×GPR) Table 4.10 above indicated the multiple regression analysis result for green marketing and consumer purchase behaviour. The table reported that green awareness which is the first variable has positive effect on consumer purchase behaviour ( $\beta$  = .295, P<0.01). It showed that green packaging which is the second variable has positive effect on consumer purchase behaviour ( $\beta$  = .420, P<0.01). It was reported that green pricing which is the third variable has positive effect on consumer purchase behaviour ( $\beta$  = .238, P<0.01). It was also exhibited that green promotion which is the last variable has positive effect on consumer purchase behaviour ( $\beta$  = .016, P<0.01).

### 4.4 Hypotheses Testing

The regression analysis was employed as an analytical tool for testing the hypothesis formulated in chapter one.

#### **Decision Rule**

If the probability value calculated is greater than the critical level of significance, then the null hypothesis is accepted and the alternate hypothesis is rejected. If probability value of 0.00 is smaller than critical value of 5% (i.e. 0.00<0.05) we conclude of the given parameter that it is statistically significant. In this situation it is accepted and there is need to reject the null hypothesis in order to accept the alternate hypothesis.

Gujarati and Porter (2009) also noted that it is preferable to leave it to the researcher to decide whether to reject the null hypothesis at a given value. if in an application the P-value of the test happens to be, say, 0.145, or 14.5% and if the researcher wants to reject the null hypothesis at this level so be it. Nothing is wrong with taking a chance of being wrong 14.5 percent of the time if you reject the true null hypothesis. More technically, the P-value is defined

as the lowest significance level at which a null hypothesis can be rejected (Gujarati and Porter, 2009) P-value =0.005(5%).

### **Hypothesis One**

HO<sub>1:</sub> There is no significant relationship between green awareness and consumers' purchase behaviour. Since the P value calculated in table 4.10 is lesser than the critical level of significance (.000<0.05), the null hypothesis was rejected while the alternate hypothesis was accepted this implies that there is a significant relationship between green awareness and consumers' purchase behaviour.

### Hypothesis Two

HO<sub>2</sub>: Green packaging has no significant relationship with consumers purchase behaviour. Since the p value calculated in table 4.10 is lesser than the critical level of significance (.000<0.05), there was need to reject the null hypothesis and accept the alternate hypothesis implying that green packaging has a significant relationship with consumers purchase behaviour.

### **Hypothesis Three**

HO<sub>3</sub> Green pricing has no significant relationship with consumers' purchase behaviour. The P value calculated in table 4.10 is lesser than the critical level of significance (.000<0.05) the null hypothesis was rejected and the alternate hypothesis was accepted implying that green pricing has a significant relationship with consumers' purchase behaviour.

### **Hypothesis Four**

HO<sub>4</sub> There is no significant relationship between green promotion and consumers' purchase behavior.

Since the P value calculated in table 4.10 is greater than the critical level of significance (.728>0.05). The null hypothesis was accepted and the alternate hypothesis was rejected; this

implies that there is no significant relationship between green promotion and consumers' purchase behavior.

#### 4.5 Discussion of Results

In line with the findings from the various analyses that were adopted in the study; as well as the review of relevant literatures, the findings of this research are presented thus. The table 4.8 exhibited the percentage (%) of variability in the dependent variable that was accounted for by all of the independent variables together. It shows that change in consumers' purchase behaviour which is brought about by the variables of green marketing by 63.4% (.634) as indicated by the R<sup>2</sup> value.

### 4.5.1 Green Awareness and Consumers' Purchase Behaviour

From the results of frequency analysis in table 4.3, exhibited that majority of the respondents overwhelmingly responded positively to the various statements in relationship to green awareness and consumer purchase behaviour. Furthermore, it was reported that green awareness has the second highest positive effect on consumer purchase behaviour ( $\beta = .295$ , P<0.01). In furtherance, the test of hypothesis indicated in table 4.10 reveals that there is a significant relationship between green awareness and consumers' purchase behaviour (.000<0.05). These findings are consistent with Ottman (1992) view that consumers accepted green products when their primary need for performance, quality, convenience, and affordability were met, and when they understood how a green product could help to solve environmental problems.

### 4.5.2 Green Packaging and Consumers Purchase Behaviour

From the results of frequency analysis in table 4.4, showed that majority of the respondents overwhelmingly responded positively to the various statements in relationship to

green packaging and consumer purchase behaviour. Furthermore, table 4.10 revealed that green packaging has the highest positive effect on consumer purchase behaviour ( $\beta$  = .420, P<0.01). In furtherance, the test of hypothesis indicated in table 4.10 reveals that green packaging has a significant relationship with consumers purchase behaviour (.000<0.05). These findings are consistent with Ishaswini and Dutta (2011) assertions that it takes only few seconds for labels and packages to catch the consumer's eyes because it is very difficult for the consumers to recognize green products.

### 4.5.3 Green Pricing and Consumers' Purchase Behaviour

From the results of frequency analysis in table 4.5, exhibited that majority of the respondents overwhelmingly responded positively to the various statements in relationship to green pricing and consumer purchase behaviour. It was reported that green pricing has the third highest positive effect on consumer purchase behaviour ( $\beta$  = .238, P<0.01). In furtherance, the test of hypothesis indicated in table 4.10 reveals that green pricing has a significant relationship with consumers' purchase behaviour (.000<0.05). These findings are consistent with Belz and Peattie, (2008) view that green marketing influence consumers and would be eager to pay extra cost for the products that do not harm the environment.

### 4.5.4 Green Promotion and Consumers' Purchase Behavior

From the results of frequency analysis in table 4.6, exhibited that majority of the respondents overwhelmingly responded positively to the various statements in relationship to green promotion and consumer purchase behaviour. It was reported that green promotion has the least positive effect on consumer purchase behaviour ( $\beta = .016$ , P<0.01). In furtherance, the test of hypothesis indicated in table 4.10 reveals that there is no significant relationship between green promotion and consumers' purchase behaviour (.728>0.05). These findings contradict the

findings of Yazdanifard and Mercy, (2011) that consumers are affected by the advertisement that shows how much a company is committed towards protecting the environment. This was also in line with Bagheri (2014), findings that there is a positive attitude of consumers towards green promotions and their minds are affected by the promotions for green products.

#### **CHAPTER FIVE**

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter focuses on discussing the summary of findings from the analysis of data in chapter four, drawing conclusion on the basis of the findings and making appropriate recommendations. The chapter also provided room for contributions to knowledge and limitations and suggestions for further studies.

### 5.2 Summary of the Findings

The general objective of this study was to determine the impact of green marketing on consumer purchase behavior, so as to bridge this gap in knowledge. Four objectives were spelt out with the aim of addressing the four research questions raised.

Consumers are becoming more alarmed about environment-friendly products and feel that these products are safe and secure for use due to the ever increasing waste generation. In green marketing research, environmental advertising is showing significant influence on knowledge and consciousness and on consumer's environmental attitude. Marketers are moving towards advertising either through media or newspaper to make consumers aware about their green products or services. Growing movements for greenness worldwide and consumers increasing concern for the environment is making the marketers opt for environmental advertising. The objective is to influence consumers to buy the products that are harmless to the environment.

The case of spray cans which scientist discovered that chemicals used in producing them were harmful to the earth's atmosphere which firms scrambled to find alternatives in a clear prove of the negative roll of packaging to the environment. The use of plastic was assumed perfect packaging material until recently, that it has become a global challenge in that discarded plastic does not decay. Green products are products that incorporate the strategies in recycling or with recycled content, reduced packaging or using less toxic materials to reduce on the natural environment.

Nigerian consumers who never buy green products perceived green products too expensive and so don't buy them. Green marketing influenced consumers would be eager to pay extra cost for the products that do not harm the environment. There are many consumers who would pay extra premium and decide to purchase green products. Perceived green pricing is one of the factors impacting the consumers buying behaviour. Hard core environmentalist does not see price before buying the green product and does not let prices determine their buying behaviour. Having a positive attitude towards green products and recycling is different from willingness to pay more for such products. There can be a pronounced buying behaviour noticed where consumers support the green products and recycling but are not ready to pay extra cost.

Green promotion aims to create an image of environment friendly company in the eyes of consumers and also to create awareness about the green products. Through Eco-advertising there is a positive influence in the consumer's behaviour towards green marketing strategies. That consumers practicing environmental behaviour are more inclined towards green advertising. Consumers who have some prior knowledge of green living have more positive attitude towards eco-advertising. Television, social networking websites and other websites are media channel fit for green advertising.

#### 5.3 Conclusion

Based on the findings of this study, the following conclusions were reached: Many customers that are known as green purchasers that know the significance of the environment and their well being tended to develop the utilization of green products.

Packaging is one area where firms are faced with the issue of social responsibility which includes concern about the role of packaging in pollution, global warming and resource use which at the long run affect consumers purchase behaviour. Green products are products that have more environmentally sound packaging in reducing the environmental impact. In the quest for eco-friendly packaging, some companies have not only modified their packaging to reduce its negative influence on the environment but have also invested huge amount of money in various recycling activities. Packaging of the green products can easily win over the customers to buy the green products.

Brand awareness has effect on consumers' purchase behaviour in a positive fashion. Ecolabels are very useful for consumers as they provide knowledge about how the product is made and so consumers can take a decision whether to buy the product or not. Consumers are affected by the advertisement that shows how much a company is committed towards protecting the environment.

A positive and significant relationship is found between the price and green buying behaviour of consumers. Price is a significant factor and it is the main purpose for or not buying the green products. If the price of the green product is kept lower, the consumers will be encouraged to buy the green product and if the product has relatively high price elasticity, it will be beneficial for manufacturers of green products to keep the prices low.

Promotional campaigns that are directed to protect the environment are more preferable since green promotions effect consumer buying behaviour in a positive fashion. Media credibility plays a vital role when launching the green advertisement to influence consumers to buy green products. Green promotion aims to create an image of environment friendly company in the eyes of consumers and also to create awareness about the green products. The promotional tools like public relations, advertising, and promotions are used to achieve the goal.

### 5.4 Recommendations

In line with the findings and the conclusion of the study, the following recommendations were made.

Companies should advertise their products after giving a critical thought to them. They should promote the utility, design and the functions of the product so as to avoid any misleading information.

Corporations should demonstrate action and genuine corporate commitment to sustainability to lead the way for consumers to follow. Raise consumer awareness of sustainability issues and solutions; clearly explain the company's sustainability platform making it relevant to consumers. They should participate side by side with consumers in sustainability efforts. Build, refine, and grow sustainability platforms with consumer input and consultation.

The green marketers must understand how to satisfy two objectives, which includes: improved environmental quality and customer satisfaction. Companies in Nigeria can use different strategies to encourage green behavior to achieve sustainable development. Due to growing environmental problems and its adverse effects on physical and mental health of human beings a lot needs to be done in advocacy for ethics of greenness. To resolve the situation

traditional marketing should not lay too much emphasis on customer demands to the detriment of social and environmental issues.

Government and NGO engaging in green advertising should go for the best media for effective persuasion. There is a need for well-planned and organized design which will be required to carry out a green campaign. The price of the green product should be kept lower, so that the consumers will be encouraged to buy the green product.

### 5.5 Contributions to Knowledge

The following contributions to knowledge emerged from the study based on the findings and conclusions of this study.

The study established that an improved model of green marketing through four dimensions.

The study revealed the evolution of policies that can shape the direction of green campaign and actions of enterprises by going green.

This study revealed the benefits in reducing harmful impacts of pollutants and how to adopt healthy environmental culture by manufacturing firms.

The study has established the approach by which consumers can purchase products that may have a positive (or less negative) effect on the environment.

### **5.6** Suggestion for Further Studies

This study has a number of observed limitations that should be addressed in further research studies. The domain of this research study was limited to selected manufacturers of fast moving consumer goods in Lagos State. However, future research could go ahead to expand the scope to involve other manufacturers in other states within the country.

The research design which was adopted through questionnaire distribution was the cross-sectional design; hence, future researchers could adopt other research design to elicit a more non-biased response in order to gather/create more valuable results.

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APPENDIX A

STRUCTURED QUESTIONNAIRE

Department of Business Administration & Marketing

Faculty of Management Sciences

Delta State University

Asaba Campus

Dear Respondent,

**Structured Questionnaire** 

I am a student of the above named institution, I am conducting a research on Green

Marketing & its Impact on Consumer Purchase Behaviour, as a part of the requirements for the

award of Master of Science Degree in Marketing. The questions are designed to elicit your

opinion on how knowledge in green marketing can affect consumer bahviour. Please kindly

respond objectively to the set of questions contained in this structured questionnaire. This

exercise is strictly academic and whatever may be your opinion will be treated with utmost

confidentiality.

Thank you for your assistance

Dr Ekakitie, S.

ODIAH, Uchechukwuka Linus

(Supervisor)

(Researcher)

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### **Section A**

### **Respondents Profile**

Instructions: the questions in the sub-section of the questionnaire are designed to elicit information about green marketing components that have potentials for measuring customer purchase behavior.

Please answer by ticking ( ) in the blank space provided.

- 1. Sex (a) Male ( ) (b) Female ( )
- 2. Age: (a) below 15 years ( ) (b) 15-20years (c) 21-30years ( ) (d) 31-40years ( ) (e) 41-50yaesr ( )
- 3. Marital Status: (a) Married ( ) (b) Single ( )
- 4. Educational Qualification: (a) WAEC/GCE/NECO ( ) (b) OND/NEC ( )
  - HND/B.Sc. (0 (d) MBA () (e) others ()

### **Section B**

Kindly read through the following statement, use the scale below as your guide:

SA = Strongly Agreed

A = Agreed

U = Undecided

D = Decided

SD = Strongly Disagree

Research Question One
What is the relationship between green awareness and consumer's purchase behavior?

S/N	FACTOR	SA (5)	A (4)	U (3)	D (2)	SD (1)
1	Green marketing activities are good at addressing environmental issues					
2	Green products are healthier products					
3	Companies that focus on environmental concerns persuade consumers to buy green products					
4	I have never heard about environmental aspect of a product and so it has no effect on my purchase decision.					

### **Research Question Two**

What is the impact of green packaging in consumer's purchase behavior?

S/N	FACTOR	SA (5)	A (4)	U (3)	D (2)	SD (1)
5	It is important to me that the products I use do not harm the environment					
6	I consider the potential environmental impact of my actions when making many of my purchase decisions					
7	Product packaging should be modified to suit the environment					
8	My purchase habits are affected by my concern for our environment					

### **Research Question Three**

How do green pricing affect consumer's purchase behavior?

S/N	FACTOR	SA (5)	A (4)	(3)	D (2)	SD (1)
9	I feel that green friendly products are priced higher when compared with conventional products					
10	Green products have better quality and or performance than conventional products					
11	I am willing to pay more for good quality products – green products					
12	Price of green products affects my purchase behaviour					

### **Research Question Four**

What are the effect of green promotion in consumer's purchase behviour?

S/N	FACTOR	SA (5)	A (4)	U (3)	D (2)	SD (1)
13	Is important to educate customers to use products in environmental friendly manner					
14	Promoting products through eco-friendly modes of communication can change consumer purchase perception of green products					
15	I believe that an individual can do much to promote the environment					
16	Government and firms are not doing enough to promote green products					

## **Research Question Five**

What is the effect of Consumer Purchase Behaviour on Green Products?

S/N	FACTOR	SA (5)	A (4)	(3)	D (2)	SD (1)
17	It is difficult for brand loyalist to change their choice of product					
18	Waiting for more innovative product can bring delay between the purchase decision and actual purchase					
19	Company's marketing strategy of green products can influence purchase decision					
20	Engaging in comparison shopping can affect consumer's purchase decision					

### APPENDIX B

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EXECUTE.

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FREQUENCIES VARIABLES=marketingactivities healthierproducts persuadeconsumers heard

/ORDER=ANALYSIS.

### **Frequencies**

#### Notes

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		heard
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[DataSet1]

### **Statistics**

			Otatiotioo	-	
		marketing activities	healthier products	persuade consumers	heard
N	Valid	279	279	279	279
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# Frequency Table

marketing activities

	marketing activities					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	1.0	3	1.1	1.1	1.1	
	2.0	3	1.1	1.1	2.2	
	3.0	19	6.8	6.8	9.0	
	4.0	68	24.4	24.4	33.3	
	5.0	186	66.7	66.7	100.0	
	Total	279	100.0	100.0		

healthier products

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	2.0	5	1.8	1.8	1.8
	3.0	33	11.8	11.8	13.6
	4.0	114	40.9	40.9	54.5
	5.0	127	45.5	45.5	100.0
	Total	279	100.0	100.0	

persuade consumers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.0	3	1.1	1.1	1.1
	2.0	4	1.4	1.4	2.5
	3.0	57	20.4	20.4	22.9
	4.0	85	30.5	30.5	53.4
	5.0	130	46.6	46.6	100.0
	Total	279	100.0	100.0	

### heard

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.0	5	1.8	1.8	1.8
	2.0	9	3.2	3.2	5.0
	3.0	47	16.8	16.8	21.9
	4.0	101	36.2	36.2	58.1
	5.0	117	41.9	41.9	100.0
	Total	279	100.0	100.0	

## **Frequencies**

### Notes

	Notes	
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### Statistics

		do not harm	potential	modified	purchase habits
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# Frequency Table

### do not harm

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	2	.7	.7	.7
	2.0	4	1.4	1.4	2.2
	3.0	19	6.8	6.8	9.0
	4.0	70	25.1	25.1	34.1
	5.0	184	65.9	65.9	100.0
	Total	279	100.0	100.0	

potential

			potonia		
		Frequency	Percent	Valid Percent	Cumulative Percent
<b>—</b>		<u> </u>			
Valid	2.0	7	2.5	2.5	2.5
	3.0	26	9.3	9.3	11.8
	4.0	111	39.8	39.8	51.6
	5.0	135	48.4	48.4	100.0
	Total	279	100.0	100.0	

### modified

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.0	4	1.4	1.4	1.4
	2.0	6	2.2	2.2	3.6
	3.0	55	19.7	19.7	23.3
	4.0	87	31.2	31.2	54.5
	5.0	127	45.5	45.5	100.0
	Total	279	100.0	100.0	

purchase habits

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	5	1.8	1.8	1.8
	2.0	6	2.2	2.2	3.9
	3.0	41	14.7	14.7	18.6
	4.0	107	38.4	38.4	57.0
	5.0	120	43.0	43.0	100.0
	Total	279	100.0	100.0	

 $\label{lem:products} \mbox{ FREQUENCIES VARIABLES=greenfriendly products better quality paymore price of green products $$/ORDER=ANALYSIS.}$ 

## **Frequencies**

### Notes

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		priceofgreenproducts
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Statistics

		green friendly			price of green
		products	better quality	pay more	products
N	Valid	279	279	279	279
	Missing	0	0	0	0

# Frequency Table

green friendly products

		9.00	in interiory pr		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	1	.4	.4	.4
	2.0	4	1.4	1.4	1.8
	3.0	20	7.2	7.2	9.0
	4.0	62	22.2	22.2	31.2
	5.0	192	68.8	68.8	100.0
	Total	279	100.0	100.0	

better quality

	better quanty					
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	2.0	6	2.2	2.2	2.2	
	3.0	20	7.2	7.2	9.3	
<u> </u>	4.0	113	40.5	40.5	49.8	
	5.0	140	50.2	50.2	100.0	
	Total	279	100.0	100.0		

pay more

			puj mere		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	2	.7	.7	.7
	2.0	5	1.8	1.8	2.5
	3.0	42	15.1	15.1	17.6
	4.0	79	28.3	28.3	45.9
	5.0	151	54.1	54.1	100.0
	Total	279	100.0	100.0	

price of green products

			o or groon pr		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	2.0	10	3.6	3.6	3.6
	3.0	36	12.9	12.9	16.5
	4.0	99	35.5	35.5	52.0
	5.0	134	48.0	48.0	100.0
	Total	279	100.0	100.0	

 $\label{thm:cies} \begin{tabular}{ll} FREQUENCIES & VARIABLES=educate customers & ecofriendly modes & promote & doing enough \\ & /ORDER=ANALYSIS. \end{tabular}$ 

### **Frequencies**

### Notes

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Syntax		FREQUENCIES
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		ecofriendlymodes promote doingenough
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### **Statistics**

			Otatiotico		
		educate customers	eco-friendly modes	promote	doing enough
N	Valid	279	279	279	279
	Missing	0	0	0	0

# Frequency Table

### educate customers

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	2	.7	.7	.7
	2.0	6	2.2	2.2	2.9
	3.0	16	5.7	5.7	8.6
	4.0	65	23.3	23.3	31.9
	5.0	190	68.1	68.1	100.0
	Total	279	100.0	100.0	

eco-friendly modes

			, <b>,</b>		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	2.0	5	1.8	1.8	1.8
	3.0	25	9.0	9.0	10.8
	4.0	109	39.1	39.1	49.8
	5.0	140	50.2	50.2	100.0
	Total	279	100.0	100.0	

promote

			promote		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	3	1.1	1.1	1.1
	2.0	5	1.8	1.8	2.9
	3.0	48	17.2	17.2	20.1
	4.0	72	25.8	25.8	45.9
	5.0	151	54.1	54.1	100.0
	Total	279	100.0	100.0	

doing enough

		Frequency	Percent	Valid Percent	Cumulative Percent
		rrequericy	i cicciii	valid i cicciit	1 CICCIII
Valid	1.0	2	.7	.7	.7
ļ	2.0	1	.4	.4	1.1
	3.0	29	10.4	10.4	11.5
	4.0	87	31.2	31.2	42.7
	5.0	160	57.3	57.3	100.0
	Total	279	100.0	100.0	

### **Frequencies**

#### **Notes**

	140163	
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	Cases Used	Statistics are based on all cases with
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Syntax		FREQUENCIES VARIABLES=choice
		purchasedecision marketingstrategy
		comparisonshopping
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### **Statistics**

		choice	purchase decision	marketing strategy	comparison shopping
N	Valid	279	279	279	279
	Missing	0	0	0	0

# Frequency Table

choice

			CHOICE		
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	6	2.2	2.2	2.2
	2.0	6	2.2	2.2	4.3
	3.0	25	9.0	9.0	13.3
	4.0	75	26.9	26.9	40.1
	5.0	167	59.9	59.9	100.0
	Total	279	100.0	100.0	

purchase decision

parchase accision					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.0	7	2.5	2.5	2.5
	3.0	47	16.8	16.8	19.4
	4.0	131	47.0	47.0	66.3
	5.0	94	33.7	33.7	100.0
	Total	279	100.0	100.0	

marketing strategy

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	3	1.1	1.1	1.1
	2.0	8	2.9	2.9	3.9
ļ	3.0	68	24.4	24.4	28.3
ļ	4.0	97	34.8	34.8	63.1
	5.0	103	36.9	36.9	100.0
	Total	279	100.0	100.0	

comparison shopping

	comparison snopping				
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	1.0	3	1.1	1.1	1.1
	2.0	13	4.7	4.7	5.7
	3.0	59	21.1	21.1	26.9
ļ	4.0	116	41.6	41.6	68.5
	5.0	88	31.5	31.5	100.0
	Total	279	100.0	100.0	

#### REGRESSION

/MISSING LISTWISE

/STATISTICS COEFF OUTS R ANOVA

/CRITERIA=PIN(.05) POUT(.10)

/NOORIGIN

/DEPENDENT consumerpurchasebehaviour

/METHOD=ENTER greenawareness greenpackaging greenpricing greenpromotion.

### Regression

### Notes

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		as missing.
	Cases Used	Statistics are based on cases with no
		missing values for any variable used.
Syntax		REGRESSION
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		/STATISTICS COEFF OUTS R ANOVA
		/CRITERIA=PIN(.05) POUT(.10)
		/NOORIGIN
		/DEPENDENT
		consumerpurchasebehaviour
		/METHOD=ENTER greenawareness
		greenpackaging greenpricing
		greenpromotion.
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	Memory Required	2692 bytes
	Additional Memory Required	
	for Residual Plots	0 bytes

### Variables Entered/Removed<sup>a</sup>

	Variables	Variables	
Model	Entered	Removed	Method
1	green promotion , green pricing , green awareness , green packaging <sup>b</sup>		Enter

- a. Dependent Variable: consumer purchase behaviour
- b. All requested variables entered.

**Model Summary** 

			Adjusted R	Std. Error of the
Model	R	R Square	Square	Estimate
1	.796ª	.634	.629	1.3175

a. Predictors: (Constant), green promotion , green pricing , green awareness , green packaging

### **ANOVA**<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	823.969	4	205.992	118.668	.000 <sup>b</sup>
	Residual	475.630	274	1.736		
	Total	1299.599	278			

- a. Dependent Variable: consumer purchase behaviour
- b. Predictors: (Constant), green promotion, green pricing, green awareness, green packaging

### Coefficients<sup>a</sup>

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	-1.884	.938		-2.009	.045
	green awareness	.302	.048	.295	6.252	.000
	green packaging	.467	.054	.420	8.679	.000
	green pricing	.274	.051	.238	5.402	.000
	green promotion	.020	.057	.016	.348	.728

a. Dependent Variable: consumer purchase behaviour

#### RELIABILITY

 $/ {\tt VARIABLES=} marketing activities \ healthier products \ persuade consumers \ heard \ do not harm \ potential$ 

 $\verb|modified| purchase habits| greenfriendly products| better quality| paymore| price of green products|$ 

educatecustomers ecofriendlymodes promote doingenough choice purchasedecision marketingstrategy

comparisonshopping

/SCALE('ALL VARIABLES') ALL

/MODEL=ALPHA

/STATISTICS=DESCRIPTIVE SCALE

/SUMMARY=MEANS.

# Reliability

### Notes

		1
Output Created		20-JUN-2017 13:41:16
Comments		
Input	Active Dataset	DataSet1
	Filter	<none></none>
	Weight	<none></none>
	Split File	<none></none>
	N of Rows in Working Data	279
	File	219
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated
		as missing.
	Cases Used	Statistics are based on all cases with
		valid data for all variables in the
		procedure.
Syntax		RELIABILITY
		/VARIABLES=marketingactivities
		healthierproducts persuadeconsumers
		heard donotharm potential
		modified purchasehabits
		greenfriendlyproducts betterquality
		paymore priceofgreenproducts
		educatecustomers ecofriendlymodes
		promote doingenough choice
		purchasedecision marketingstrategy
		comparisonshopping
		/SCALE('ALL VARIABLES') ALL
		/MODEL=ALPHA
		/STATISTICS=DESCRIPTIVE SCALE
		/SUMMARY=MEANS.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.03

## Scale: ALL VARIABLES

**Case Processing Summary** 

		N	%
Cases	Valid	279	100.0
	Excluded <sup>a</sup>	0	.0
	Total	279	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

	Cronbach's Alpha			
	Based on			
Cronbach's	Standardized			
Alpha	Items	N of Items		
.824	.822	20		

**Item Statistics** 

	Mean	Std. Deviation	N
marketing activities	4.545	.7615	279
healthier products	4.301	.7460	279
persuade consumers	4.201	.8871	279
heard	4.133	.9293	279
do not harm	4.541	.7474	279
potential	4.341	.7507	279
modified	4.172	.9170	279
purchase habits	4.186	.8902	279
green friendly products	4.577	.7199	279
better quality	4.387	.7152	279
pay more	4.333	.8482	279
price of green products	4.280	.8228	279
educate customers	4.559	.7605	279
eco-friendly modes	4.376	.7234	279
promote	4.301	.8910	279
doing enough	4.441	.7510	279
choice	4.401	.8997	279
purchase decision	4.118	.7706	279
marketing strategy	4.036	.9089	279
comparison shopping	3.978	.9014	279

### **Summary Item Statistics**

					Maximum /		
	Mean	Minimum	Maximum	Range	Minimum	Variance	N of Items
Item Means	4.310	3.978	4.577	.599	1.150	.031	20

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
86.208	62.007	7.8745	20