

**CONSUMER AWARENESS ON  
ENVIRONMENTAL ISSUES AND ITS IMPACT  
ON PURCHASE BEHAVIOUR OF GREEN  
PRODUCTS**

**ABSTRACT**

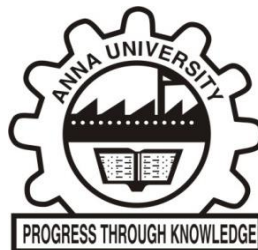
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## **ABSTRACT**

The thesis starts with the central observations of changing Indian lifestyles, culture and with the growing disturbance of its mother nature. The growing urbanization and its changing consumption patterns have created a noticeable change in its environment. Keeping these environmental changes as the main theme of the study, the study focuses on knowing the consumer awareness on environmental issues and its impact on green product purchase decision. This study is documented in five chapters. The first chapter describes the central theme of the research and explains the problem statement, need, objectives, hypothesis and scope of the study in the present and future sense. The second chapter reviews various definitions, concepts and the literature related to the study area. In the third chapter a clear description is given on the research design under which the present study was carried out. The fourth chapter portrays the results of the analysis, drawing specific inferences of the study. Finally, the fifth chapter states the consolidated findings of the study with relevance to the objectives and hypothesis of the study and its implications are presented.

The social shift of environment has taken centre stage in the media, politics, work place and also among our family members. Most of the environmental crises that we face today will continue to have impact on our lives indefinitely, many with an increasing sense of urgency. In light of these disturbing developments in our environment, many individuals and businesses have begun to make behavioral changes to reduce their impact on the natural world.

On the other side, the green concept calls upon marketers to build social and ethical considerations into their marketing practices. They must balance and manage the often conflicting criteria of company profits, consumer needs and want satisfaction and public interest as well. Now, we see that both consumers and retailers are becoming more concerned about environment-friendly product categories, namely, the green products and services. As a result, green marketing has its emergence in Indian market too. The green marketing concept aims at marketing sustainable and socially responsible products and services. “Green marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs and wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment”. The “Green Consumer” has been a central figure in the development of the logic of green marketing. Many green marketing strategies depend on consumer being willing to buy green products. It was clear that the level of environmental concern being voiced by consumers was not being matched by an equal level of change in their purchasing behaviour. It seemed that the opportunities for environmental marketing were far more than the retailers have been predicted.

The specific objective of the study is to identify consumer awareness on environmental issues and its impact on purchase behaviour of selected green products in Coimbatore district, and to investigate the demographic profiles of the consumers with their differences in understanding the environmental issues and preference for green products. The study also focuses on the relevant attributes which influence in purchasing of organic foodstuff, green electronics and green vehicles specifically, and to suggest to

the green marketing organizations in designing their futuristic green marketing strategies. Both primary data and the secondary data were used for the study. Stratified random sampling method was used, and hence, for the primary data collection 625 respondents residing in towns and villages of north and south taluks of Coimbatore district were selected for the study. The district was divided into eight taluks, out of which two taluks, namely, Coimbatore south taluk and Coimbatore north taluk were selected for the study. The data was collected using structured schedule, were specially designed for data collection which includes the factors related to environmental issues, awareness, knowledge and concern of the consumers towards the environmental issues and its impact on green purchase behaviour.

The consumer awareness on environmental issues and its level of impact on purchase decision were identified by discriminant function analysis by dividing them into two groups namely low level of impact on purchase decision and high level of impact on purchase decision. Among the two groups low level and high level of impact on purchase decision, the factor 'residing region' significantly discriminate at five percent level of significance. Further, an in-depth analysis was carried out with the variable residing region with other independent variables of the study.

The multiple liner regression model of the study reveals that the four explanatory variables, namely, environmental issues, consumer awareness, environmental knowledge and environmental concern significantly contribute to the impact of purchase decision (y). Therefore overall significance of this model (p-value- 0.00,  $p < 0.01$ ) is found to be statistically significant.

It was found that there is a close association of environmental impact on purchase decision of selected green products between the age, occupation and earning members in the family of the respondents. The pre-purchase search for purchasing selected green products is extensively done by the respondents of the study area and also the respondents like to continue the same in the future.

It was found that age, education qualification, family size, residing region of the respondents have a good association with preference for green products namely organic foodstuff, green electronics and green vehicles. The attribute namely healthy in organic foodstuff, the attribute energy conservation in green electronics, and the attribute quality /reliability of green vehicles found a significant influence in purchase decision of the selected green products among the respondents.

As natural resources become increasingly limited, behavioral modifications on the part of consumers becomes necessarily important and as a marketer, it becomes mandatory in reaching the green consumers and providing them with necessary information about green alternatives. Especially, in a country like India, the growing population becomes a burden for the earth in the form of never ending needs and wants of consumers. This untapped market and the prevailing gap between the consumers and the marketers should be rectified. As the environmental damage is same for everybody, it all depends on the marketers to educate the cause and effect relationship of the non-green product usage and to promote the benefits of using the green products for a better future.