

A Study on Green Marketing in Retail Industry with Special Reference to Coimbatore City

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Abstract - Green marketing is the marketing of commodities that are speculated to be environmentally safe. The tremendous development in green marketing has made a new way for the companies to develop their co-brand products into separate line, lauding the green-friendliness of some while ignoring that of others. Today, customers are aware of green products, so the marketers are using various techniques to capture the market. Retailers are finding an opportunity to develop their product's performance and strengthen customer's loyalty. As an outcome of this the businesses have increased their rate of target consumers who are really care about the environment. Consumers are also aware of environmental issues and interested in their purchasing eco friendly products. This paper discusses about green marketing in retail, benefits, challenges and about green manufacturers and customers those who concerned about the environment. The paper also identifies the various ways to explore the challenges and opportunities that the retailers have with green marketing. The paper also tells about the current trends of green marketing and explains the reason why companies are adopting it and future of green marketing.

Keywords: Green marketing, Challenges, Retailing, Green Producers, Purchase decision, Opportunities.

I. INTRODUCTION

Green marketing is also called as environmental marketing or ecological marketing. It occupied a vital place in all stages of human life. Green marketing possesses some of the special characteristics. It covers all business activities in order to ascertain the demand, product planning, distribution and facilitating the entire marketing process. It also emphasises the need for integrated and well-coordinated marketing programme.

To a great extent, it helps in the development of the standard of green products as well as services which increases the standard of life. Green marketing, itself being a complex mechanism, involves a number of functions and sub-functions, which call for different activities. At the present stage, green marketing has gained a wide recognition because of increasing pace of production. The ability of the retailer is to find a customer and so satisfy him. Green marketing creates green cultivators with new and developed methods of cultivation-useful implements, tools, fertilizers etc.

Green marketing in retail:

In consumer-oriented markets, the retailer must know what is required by the consumer and to make the consumers know from where, when, how and at what price, the product would be available. Customers are more selective

in their buying choices and a good promotional programme is needed to reach them, hence the retailers are using incentive-type of sales to attract the new customers, to regain loyal customers and to boost the repurchase rates of occasional users. For retailers it is important to increase the sale of green products with new ideas for creating a favourable condition of selling, promoting sales and future expansion of sales. Promotional activities are essential as they are more practical than advertising because competitors have become promotional-minded and there is cut-throat competition.

Because of the new inventions of the products take place often, none will have the guarantee that his products will always possess good demand in the market. Some technological development may outmode the existing products; in turn the whole industry may come to a idle. Customers always prefer to have the latest model and also number of new products, in the place of old ones. Therefore, it is important to understand the marketing system.

Some Eco-Friendly Practices Followed By Retailers:

- Selecting the green construction processes for stores
- Reuse packing material and cardboard boxes
- Using the renewable sources of energy

- Diminish paper transactions by adopting technology for billing, invoicing, vendor payments, order management, etc.
- Using rechargeable batteries
- Condense wastage of paper, electricity, water, etc in stores
- Purchase energy efficient equipment inside stores
- Use eco-friendly cleaning materials
- Recycle paper, plastic, metals, cartridges, etc.

Benefits of green marketing:

- Reducing use of plastics and plastic-based products
- Improved consumption of herbal products instead of processed products.
- Mounting use of bio-fertilizers (made of agro-wastes and wormy-composed) instead of chemical fertilizers (i.e. organic farming), and minimum use of pesticides
- Create interest to consume organic food products that is good for health
- Greening indicate to avoid diseases and live healthy life
- Worldwide work to recycle wastes of consumer and industrial products.
- Avoids pollution and produces eco friendly products to save environment and society

Green manufacturer

Green manufacturer is a person one who is producing eco-friendly products which are giving less or zero detrimental effect to the environment. He follows green manufacturing processes in his regular activities. Green manufacturing processes increases the usage that do not pollutes the environment or harm consumers, employees, or other members of the community. It directs manufacturers, including reprocessing, conservation, waste management, water supply, environmental protection, regulatory compliance, pollution control, and a variety of other related issues.

Green Marketing Mix

- ❖ **Product:** The product mix combines the physical product, product services, brand and packages. The retailers should aware of quality and type of green products which or services which are offered for sale. The environmental objective is to provide recycled and environmental friendly **packaging**.
- ❖ **Price:** Price alterations are made to attract the customers and it may be in the form of discount, allowances etc. Hence, Prices of such green products may be little higher than the other products, customers are ready to pay for it.

- ❖ **Promotion:** A promotion refers to advertising, publicity, personal selling etc. And thus the public may be informed of the green products and be persuaded by the customers. The major function of green product promotion is to serve as a connecting link or bridge between advertising and personal selling .
- ❖ **Place:** Physical distribution is the delivery of the green products at the right time and at the right place. It is the combination of decisions concerning to marketing channel, storage facility, inventory control, location, transportation, warehousing etc.

Challenges:

Green Marketing strategies afford more benefits to consumers as well the society. It also helps to create green environment by adopting eco – friendly advertising practices. Even though reaching more reimbursement from green marketing, there is lot of challenges or hurdles also available for its development.

- Prices of such green products are higher than the other products.
- Recycling plastic is needs huge amount.
- Green products oblige renewable and recyclable material, which is quiet costly
- Investor's involvement in implementing new technology is very less.
- Water treatment technology, which is too costly
- Most of the people are not aware of green products and their uses

II. OBJECTIVE OF THE STUDY

- To study on green marketing in the retail industry with special reference to Coimbatore city
- To examine the level of awareness of consumers about green products and practices.
- To find the consumer purchase behaviours towards the preference of green products

III. REVIEW OF LITERATURE

Selvakumar & Ramesh Pandi (2016) indicated that the important aspect of Green Marketing is not to manufacture or promote green products but encompassing all those marketing activities that are essential to develop and sustain consumers. Customer's interest towards eco-friendly products should be induced by applying various promotional tools.

Rajan Saxena (2010) suggested that Green products and services are today increasingly being accepted by both the companies and customers. Following are some of the

arguments in favour of green marketing which makes it profitable for the firm/organization.

- A sentient customer now insists on a green 'product and packaging material.
- Sentient customers are joining together to form interest groups which lobby for eco-friendly products and legislation to protect their environment.

Given the choice, customers tend to buy eco-friendly products Charles W Lamb et al (2015) explained that —Green Marketing has also become an important way for companies to build awareness and loyalty by promoting a popular issue. By placing their brands as ecologically sound, marketers can convey concern for the environment and society as a whole.

Considering internal and external situations Sanjit Kumar Dash (2010) identified that the marketing strategies for green marketing include Marketing Audit. It was found that Challenges ahead include green products require renewable and biodegradable objects, which is costly requires a technology, which requires huge investment in R&D. Discovering new opportunity to enhance the product's performance and strengthen the customer's loyalty and command a higher price.

Joseph & Rupali korlekar(2012), indicates that – swot analysis towards the more positive attitude on green marketing and green products is essential before going with promotion the green products especially in the developing countries..

The study by Banumathi Mannarswamy(2011) proved that Worldwide evidence shows people are concerned about the environment and are changing their behavior accordingly. As a result there is a scope for green products in the future market. People are more concern about the surroundings and also about the future generation.

Sourabh Bhattacharya (2011) suggested that Indian customers are price-sensitive and are not aware of quality of green products. Promotional aspects are also very less in India. The customers are expecting for offers for the product.

The study by Ann Kronrod et al (2012) highlighted and explained the amazing prevalence of forceful environmental messages in the media. Environmental agencies, which are populated with people who recognize protecting the environment is a highly important issue, should understand that not all consumers are as informed and concerned about the environment.

As Srikant and Raju (2015) have proposed that “Green Marketing is a phenomenon which has developed particular significant in the modern market and has emerged as an important concept in India as in other parts of the

developing and developed world, and is seen as an important approach of facilitating sustainable growth”. And sustainable development can be achieved through administration and retain level of economic resources along with consumer satisfaction.

The study by Moloy Ghoshal (2011) found that green marketing was still in early stage. In the insight of marketing scholars, green marketing refers to eco-level and market segmentation and the role of structural factors and economic incentives in influencing consumer behaviour. The green marketers must know to persuade two objectives: improved environmental quality and customer satisfaction.

Nandini Deshpande(2015) has stated out that Green Marketing should not neglect the economic aspect of marketing. Marketers need to know the implications of Green Marketing. Thus Green Marketing is a golden goose, and can be a very great marketing strategy though when it is done right.

Robert Dahlstrom (2011) examined that Green Marketing has encouraging influences on several participants in the economy. Green marketing firms launch strategic alliances with government, local communities, nongovernmental organizations (NGOs), industry experts, and competitors.

IV. RESEARCH METHODOLOGY

TYPES OF RESEARCH: The type of research used in the study is descriptive and analytical research which includes surveys and facts, findings, enquiries of different kinds. The major purpose of the descriptive research is description of the state affairs as it exists at present.

NATURE OF STUDY: The data collected are both,

- Primary data
- Secondary data

PRIMARY DATA: Primary data is the original data. The researcher directly gives the questionnaire to the respondents and gets the data for the study.

SECONDARY DATA: Secondary data are collected from various websites and journals.

SAMPLE SIZE: The sample size of 110 is been collected from various customers of green products

SAMPLE DESIGN: A sample design of 110 respondents was selected using “Random sampling technique” from various customers of green products. The study data is based on primary data. The data's are collected through questionnaire method.

TOOLS USED

- Simple percentage method
- Anova
- Ranking method

PERCENTAGE ANALYSIS: Percentage analysis is a statistical tool which used to identify the percentage from the respondents response to a single question which is accounted samples.

$$\text{Percentage} = \frac{\text{Number of respondents}}{\text{Total number of samples}} \times 100$$

ANOVA: Analysis of variances (ANOVA) is a statistical method used to find difference between two various means.

$$\text{Anova coefficient} = \frac{\text{Mean sum of squares due to treatment}}{\text{Mean sum of squares due to error}}$$

V. ANALYSIS AND INTERPRETATION

Table No 1.1 Showing the Awareness about Green Products

S.NO	PARTICULARS	FREQUENCY	PERCENTAGE
1	Very low	8	7.3
2	Low	22	20.0
3	Average	30	27.3
4	Very high	34	30.9
5	High	16	14.5
	Total	110	100.0

Source: primary data

Interpretation: From the above table it is inferred that majority 30.9% of respondents are very highly aware about the green products. 27.3% of respondents are average. 20.0% of respondents are low. 14.5% of the respondents are high. 7.3% of respondents consider very low.

Chart No 1.1 Showing the Awareness about Green Products

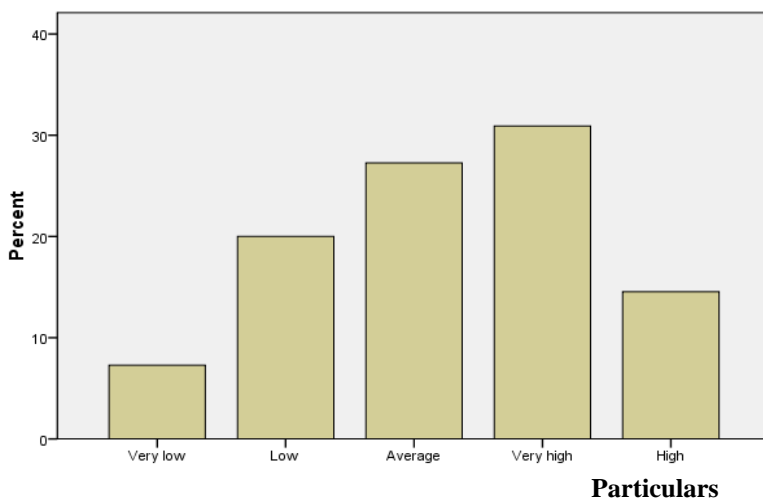


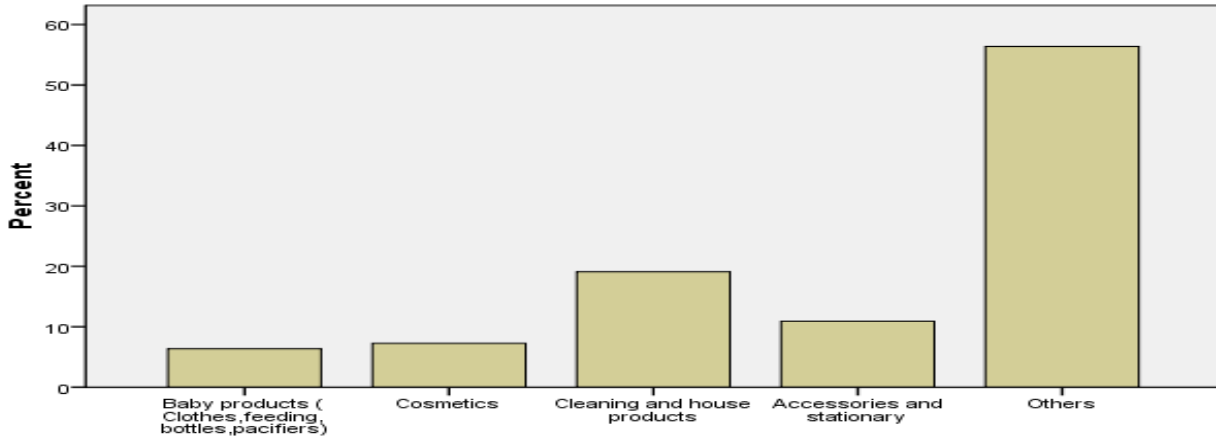
Table No 1.2 Showing Customer Purchases Environmental Friendly Products

S.NO	PARTICULARS	FREQUENCY	PERCENTAGE
1	Baby products (Clothes, feeding, bottles pacifiers)	7	6.4
2	Cosmetics	8	7.3
3	Cleaning and house products	21	19.1
4	Accessories and stationary	12	10.9
5	Others	62	56.4
	Total	110	100.0

Source: primary data

Interpretation: From the above table it is inferred that majority 56.4% of respondents purchase others green products. 19.1% of respondents purchase cleaning and house products. 10.9% of respondents purchase accessories. 7.3% of respondents purchase cosmetics.6.4 % of the respondents purchase baby products.

Chart No 1.2 Showing Customer Purchases Environmental Friendly Products



Particulars

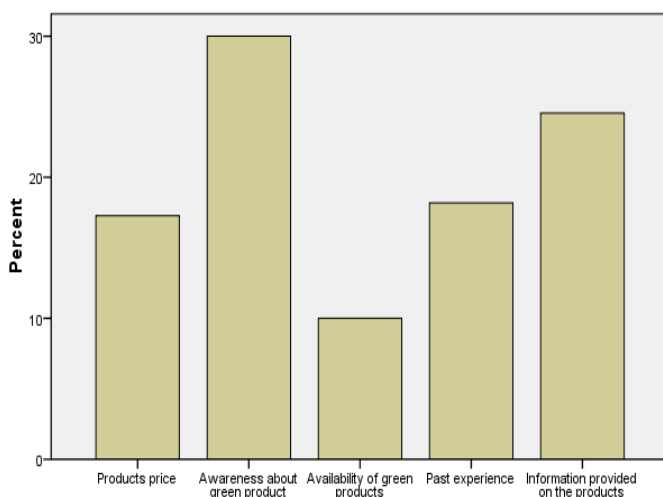
Table No 1.3 Showing the Factors Affects the Purchasing of Green Products

S.NO	PARTICULARS	FREQUENCY	PERCENTAGE
1	Products price	19	17.3
2	Awareness about green product	33	30.0
3	Availability of green products	11	10.0
4	Past experience	20	18.2
5	Information provided on the products	27	24.5
	Total	110	100.0

Source: primary data

Interpretation: From the above table it is inferred that majority 30.0% of respondents says awareness about green product is a factor for purchasing green product. 24.5% of respondents say information provided on the products is a factor for purchasing green product. 18.2% of respondents say past experience is a factor for purchasing green product. 17.3% of respondents say products price is a factor for purchasing green product. 10.0% of respondents say availability of green products as a factor for purchasing green product.

Chart 1.3 Showing That Factors Affects the Purchasing of Green Products



Particulars

Table No 1.4 Showing the motive and importance of green products:

Particulars	Mean Rank
CONCERN FOR HEALTH	2.43
CONCERN FOR STATUS	3.92
CONCERN FOR THE ENVIRONMENT	1.18
TO USE BETTER QUALITY PRODUCTS	4.45

Interpretation: The above table infers that concern for the environment has the lowest mean score when compared to other variables. It shows that concern for the quality products rank highest in motive of using green products.

Table No 1.5 Showing purchasing point of green products:

Particulars	Mean Rank
Retail Malls	3.75
Local shops	4.78
Internet	2.77
Teleshopping	1.92
Specialized shops/units	1.29
Factory Outlet	5.49

Interpretation: The above table infers that specialized shops have the lowest mean score when compared to other variables. It shows that factory outlet rank highest in preference to buy green products.

Table No 1.6 Showing Awareness of green products for health of customers regarding to their gender

AWARE OF BENEFITS OF GREEN PRODUCTS FOR HEALTH					
	Sum of Squares	Degree of Freedom	Mean Square	Frequency	Significance
Between Groups	.160	1	.160	.181	.672
Within Groups	95.803	108	.887		
Total	95.964	109			

Interpretation: The statistics value has corresponding significance (or p-value) greater than 0.05 for construct awareness of benefits towards green products for health respect to their gender. So, null hypothesis gets to be rejected as “there is a significant difference in the opinion of respondents towards aware of benefits of green products for health with respect to gender.

Table No 1.7 Showing satisfaction level towards green products regarding their income

LEVEL OF SATISFACTION REGARDING GREEN PRODUCTS					
	Sum of Squares	Degree of Freedom	Mean Square	Frequency	Significance
Between Groups	5.613	3	1.871	1.451	.232
Within Groups	136.651	106	1.289		
Total	142.264	109			

Interpretation: The statistics value has corresponding significance (or p-value) greater than 0.05 for construct level of satisfaction regarding green products respect to their income. So, null hypothesis gets to be rejected as “there is a significant difference in the opinion of respondents towards level of satisfaction regarding green products respect to their income.

ANOVA

Table No 1.8 Aware of Benefits of Green Products Regarding to their Gender

Null Hypothesis: There is no significant difference in the opinion of respondents towards aware of benefits of green products with respect to gender.

Alternative Hypothesis: There is a significant difference in the opinion of respondents towards aware of benefits of green products with respect to gender.

AWARE OF BENEFITS OF GREEN PRODUCTS					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.160	1	.160	.181	.672
Within Groups	95.803	108	.887		
Total	95.964	109			

Interpretation: The statistics value has corresponding significance (or p-value) greater than 0.05 for construct awareness of benefits towards green products with respect to the gender. This means that for these construct null hypothesis gets to be rejected as there is a significant difference in the opinion of respondents towards aware of benefits of green products with respect to gender.

VI. FINDINGS

- Majority 30.9% of the respondents says they are very highly aware about purchasing of green products.
- Majority 56.4% of respondents says purchase others green products as environmental friendly products.
- Majority 30.0% of respondents says awareness about green product is a factor which affects purchase of green products.
- The statistics value has corresponding significance (or p-value) greater than 0.05 for construct awareness of benefits towards green products for health respect to their gender. There is a significant difference in the opinion of respondents towards aware of benefits of green products for health with respect to gender.
- It shows that concern for the environment rank highest in motive of using green products and to use better quality products ranks last.
- It shows that specialized shops rank highest in preference to buy green products and factory outlet ranks last.

- their usage and resultant impact on the environment protection that will help in long run and will boost their support and constructing strong brand image in the view of consumers.
- Introduction of various schemes and discounts on green products to encourage peoples to purchase products.
- Green products need to available in easily in market and making efforts to encourage sustainable consumption, will be creating demand for green products and thus there is a lot of potential.

VII. SUGGESTIONS

- Advertisement of the product must reach consumer effectively.
- Motive of using the eco friendly products is to safe environment and society.
- Marketers should plan effective promotional strategies to educate them about green products,

VIII. CONCLUSION

Green marketing assumes even more significance and relevance in developing countries like India. Green marketing firms can create strategic alliances with government, local communities, nongovernmental organizations (NGOs), industry experts, and competitors. Green marketing cannot not be measured as just one more approach to marketing, but has to be pursued with much greater dynamism, as it has an environmental and social element to it. With the hazard of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. . In green marketing, consumers are still not agreeable to pay more to maintain a cleaner and greener environment. At last, consumers, industrial buyers and suppliers need to pressurize effects on minimize the negative effects on the environment-friendly.

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