
Awareness And Concern of Indian Automobile Consumers about Green Cars and Environmental Protection-A Study with Special Reference to Select City

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Abstract:

It believes around the world that the customers have been expressing concern towards environmental impact of products. In the recent times consumers and business have move their attention towards environmental friendly products which popularly known as green products, eco-friendly products etc. this study is an attempt to understand the level of awareness, knowledge and concern towards green products with reference to automobile industry and environmental consciousness by surveying 50 car users of Hyderabad city. The study concluded that the level of awareness about green cars is not at par level but more conscious towards environment protection. The study also concluded consumers are not showing their words in the action mode by adopting green products.

Keywords:

Green Marketing, Environmental Marketing, Customer Attitude, etc

Introduction:

Businesses need to constantly assess the latest and most attractive marketing trends. Marketing trends can be found out by

continually researching about the changes in consumer behaviour in the marketplace. By identifying the changes in the consumerbehaviour, the businesses can modify their offering to the consumers. Consumers today are more concerned about environmental degradation and negative impact of their usesof product and services on environment. The reason for this concern could be visibleclimatic changes, global warming and increasing air and water pollution. Thus usinggreen marketing by the organizations not only provides an opportunity to meet consumer expectations and address their environmental concerns, but also to gain acompetitive advantage and a strong consumer base.Green marketing is also termed as environmental marketing or ecological marketing.According to American Marketing Association, marketing of products that are presumedto be environmentally safe is called as Green Marketing. Thus wide range of activities are covered under green marketing, which includes modifying the product, makingchanges in the production process and packaging, as well as modifying advertising

orremoving any activity that impacts the environment in negative way. Today, the Earthfaces more environmental issues than ever before, hence it is imperative for companiesto make and market them as environment friendly. Green marketing is emergingas a popular promotional strategy owing to increased consumer awareness andconcerns.

The concept of green or ecological marketing calls upon businesses to follow ethicaland green practices while dealing with customers, suppliers, dealers, and employees.Companies have started marketing themselves as green companies. Even the PublicSector Units and state governments are now paying a lot of attention towardsenvironmental issues such as global warming, pollution, or water contamination andhave started taking steps to prevent environmental pollution.

Literature review

Green marketing came into prominence in the late 1980s and early 1990s. The first book titled Ecological Marketing was the outcome of first workshop on “EcologicalMarketing”, held by American Marketing Association (AMA) in 1975. Green marketingacquired an eminent status since early 1990s. There has been occurring about greenconsumers and green consumerism in

1970s and 1980s. Henion and Kinnear (1976)defined green consumers as environmentally conscious consumers while Antil (1984)described green consumerism as a specific type of socially conscious consumerbehaviour with prime focus on protection of environment. Green consumerism was described as a form of “pro-social” consumer behaviour (Weiner and Doescher, 1991).According to Michael J Polonsky, environmental marketing has been perceived as an opportunity by the organizations to achieve their objectives (stated by Keller 1987, Shearer 1990). It was believed that organizations have moral obligation to serve the society in more environmental friendly way (Davis 1992, Freeman and Liedtka 1991, Keller 1987, Shearer 1990).

Davidson et al. (1985) found that the consumers’ attitude is associated with the knowledge and personal experience they possess. However inconsistencies were found among the relationship between consumers’ attitude and their behaviour when it comes to green consumerism.

Michael Polonsky (1994) defined “green marketing as the marketing that consists of allactivities designed to generate and facilitate any exchanges intended to satisfy humanneeds or wants, such that the

satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment." Various studies support the assertion that consumers today prefer environmentally safe products and have a positive disposition towards companies following such practices. A strong willingness is shown by consumers to favour environmentally conscious products and companies as per various opinion polls taken in US and elsewhere,

Michael Porter and Claas van der Linder, (1995) Firms are also forced to become more socially responsible due to the laws laid by the government towards the protection of the environment. Firms are also pressurized by the environmental activities adapted by competitors that demand the firms to change their marketing activities to environmental marketing activities. One of the factors identified that affects the purchase of green product is its high price in comparison with traditional product. Price of the product can be reduced by properly designed environmental standards. Environmental standards can trigger innovations that lower the cost of the product or improve its value. Such innovation will allow the companies to use a range of inputs more productively - from raw materials to energy to labour - thus offsetting the cost of improving environmental impact and hence enhanced resource productivity will

make companies more competitive. Innovation will play a lead role in sustainable development for the companies to be competitive and resisting innovations will lead to loss of competitiveness in today's global economy.

Mintel (1995) found a significant gap between consumers concern and actual green purchasing. It is found that still there are considerable barriers towards the diffusion of more ecologically oriented consumption styles.

Jacquelyn Ottman, (1998) suggests that from an organizational standpoint, all aspects of marketing including new product development and communications should be integrated with environmental considerations. This holistic view of Green Marketing suggests that not only the suppliers and retailers, but the new stakeholders including educators, community members, regulators, and NGOs should also be taken into purview. Environmental issues should not be compromised to satisfy primary customer needs. Organization operating green practices in their processes and products is considered as environmentally friendly by the consumers and they prefer to purchase the products of the organization that are marketing themselves as green organizations. It has been always believed that the actions of individuals can be predicted by their attitudes. Number of

studies has been made towards improving the ability to predict an individual's actions.

Crispell (2001) Green Gauge Study of Roper Organization classified the American consumers into True-Blue Greens, Greenback Greens, Sprouts, Grouser and Basic Browns. True-Blue Greens are the consumers who buy only green products and trying to make up for the deficits, Greenback Greens are the consumers willing to expend money towards protection of natural environment but don't have time and energy for environmental activities, Sprouts are the consumers who can buy green products but are not involved in environmental activities, Grouser are the consumers who cares about the protection of environment but make excuses for adapting green products, and Basic Browns are the consumers who don't care about the environment protection and are not even ashamed of it. Consumers are substantially aware about green products; however applying green marketing practices in business operations is not an easy task.

Spruyt et al. (2007) suggested that the prediction of individual's behaviour is dependent on the attitude of the consumer. In order to predict specific behaviours, the measurement criteria of attitudes should be directed at a specific environmental issue like

purchasing of green products (Gadenne et al, 2011; Wulf and Schroder, 2003).

Antonio et al (2009) suggested that due to environmental consciousness that has evolved over time, studies on green consumerism will be the main focus point in future leading to identifying the consumer attitudes, behaviours and intentions.

Braimah and Tweneboah-Koduah (2011) studied Ghanaian consumers and have found low level of awareness towards green marketing issues which affected that purchase decision of the consumers. Price of green products was also found to be one of the factors that influence the purchase of green products. However, it was found that young consumers are more Bhatia and Jain: Green Marketing: A Study of Consumer Perception and Preferences in India 5 likely to be influenced by green issues.

Cherian and Jacob (2012) found that consumers lack green knowledge and because of this low awareness, organizations are still not focusing towards development of green products. There are several issues and challenges identified by various researchers with respect to Green Marketing. Practicing green marketing initially may prove to be a costly affair as it encourages green products/services, green technology (procuring new technology or modification of existing

technology), green power/energy which requires a lot of money to be spent on R&D programs. 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 affect the sales of the company. It requires the companies to extensively communicate the presence and benefits of green marketing to the customers by means of various tools available for integrated marketing communication. Eco-labelling could be a good way to convince the customers regarding green products. Consumers might be willing to pay premium price if they see additional benefit (such as quality, environmentally safe product, fuel-efficient vehicles, and non-hazardous products) attached with the product. Green Marketing can help organizations to gain a competitive advantage and a strong consumer base.

Objectives of Study

1. To investigate the level of awareness and consciousness of Indian consumers

about green cars and environmental protection

2. To measure the green values of the customers.

Limitations of Study

The study has been restricted to Hyderabad city of Telangana State, India which may not fit the outcome of study as to be the same for the country as whole. The study also has been limited with sample size i.e. 50 automobile customers which may not give justice towards population size.

Research Methodology

This study is Quantitative research study (survey method) has been conducted through a list of questionnaire after screening the eligibility of the participants i.e. Automobile customers only four wheel car segments by selecting the sample of 50 respondents. The data has been analysed with SPSS 20.

Data Analysis

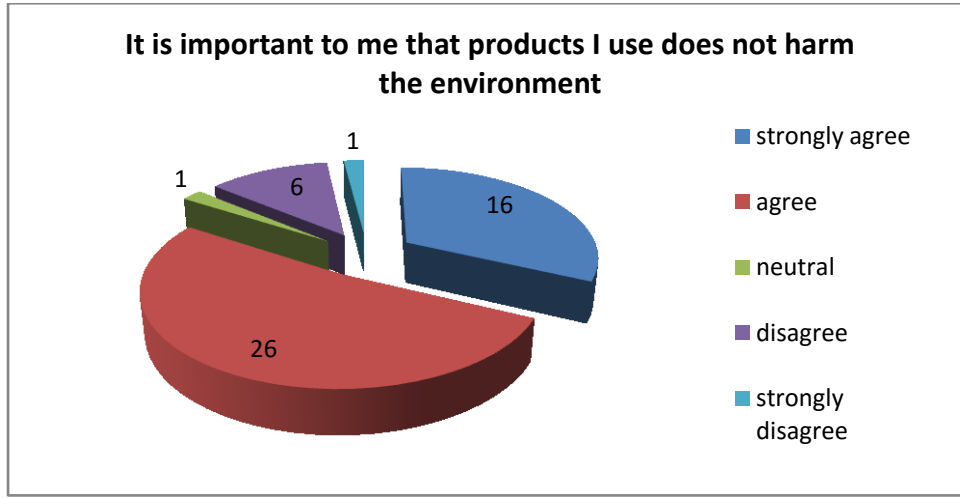


Figure 1: Quantitative data of Respondents about product that does not harm environment

The respondents have been asked whether they consider importantly while using the product that does not harm the environment. The majority of the respondents i.e.26 have agreed that it is important to them that product which they use do not harm the environment whereas around 16 respondents

have strongly agree with the statement while about only 1respondent responded neutrally towards statement. On the other side, around 6 respondents have disagreed with the statement whereas only 1 respondent have strongly disagree with the statement.

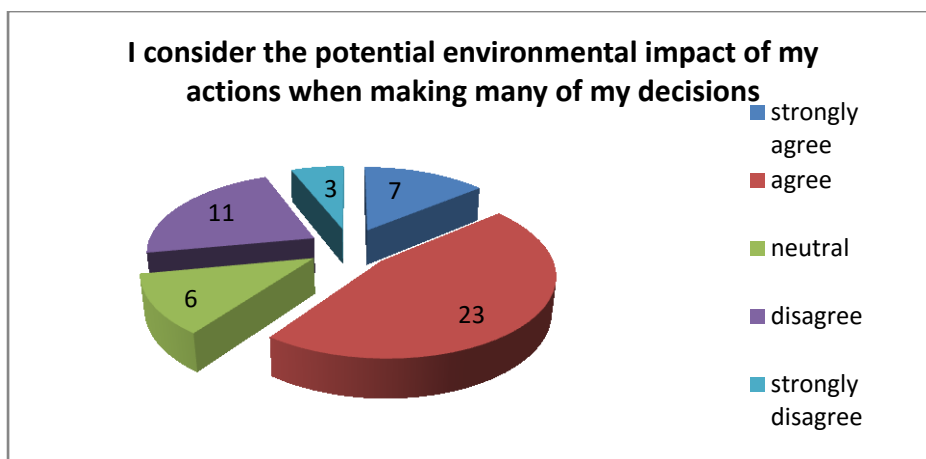


Figure 2: Quantitative data of Respondents about considering impact of their actions on environment

The respondents have been asked whether they consider potential environmental

impact of their actions while making decisions. The majority of the respondents i.e.23 have

agreed that they consider the potential environmental impact of their actions while making decisions whereas around 7 respondents have strongly agree with the statement while about only 6 respondent

responded neutrally towards statement. On the other side, around 11 respondents have disagreed with the statement whereas 3 respondents have strongly disagreed with the statement.

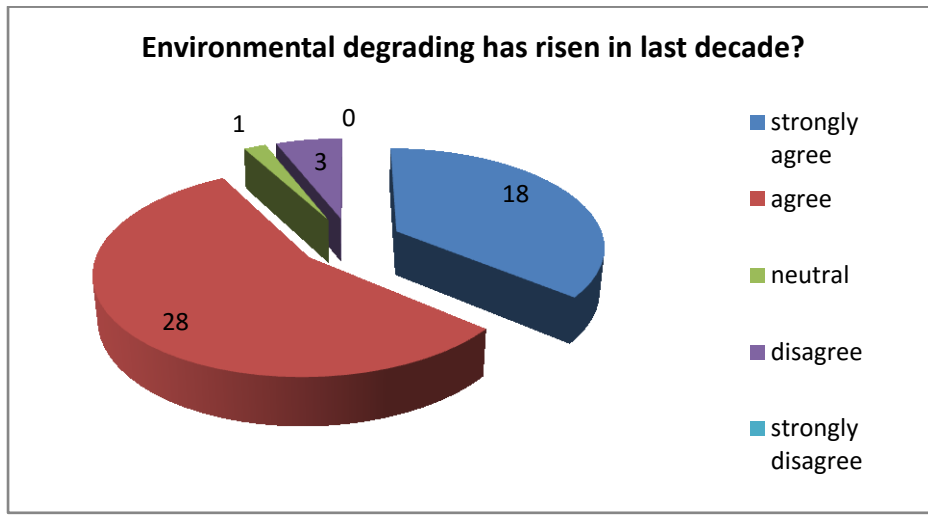


Figure 3: Quantitative data of Respondents about degradation of environment

The respondents have been asked environmental degrading has risen in last decade. The majority of the respondents i.e.28 have agreed that degradation of environment has risen in the last decade whereas around 18

respondents have strongly agree with the statement while about only 1 respondent responded neutrally towards statement. On the other side, around 3 respondents have disagreed with the statement.

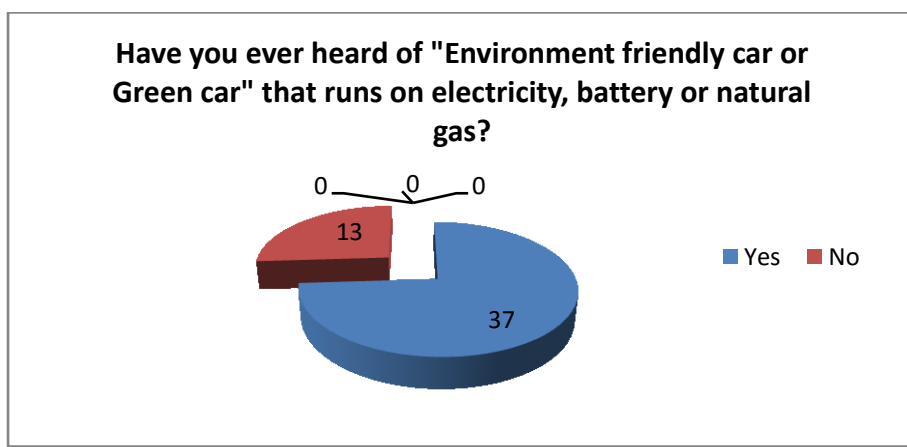


Figure 4: Quantitative data of Respondents about awareness of green cars.

The respondents have been asked whether they ever heard of “environmental friendly car or green car” that runs on electricity, battery or natural gas. The majority of the respondents i.e.37 have replied positively by saying yes they heard about

“environmental friendly car or green car” that runs on electricity, battery or natural gas. On the other side, around 13 respondents have replied negatively by saying No they have not heard such thing ever before.

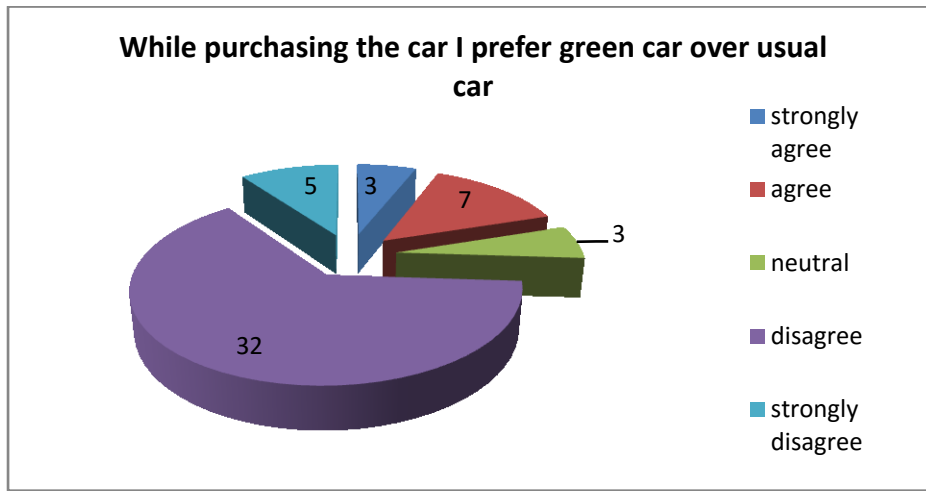


Figure 5: Quantitative data of Respondents about preferring green car over usual car

The respondents have been asked while purchasing car whether they preferred Green car over usual car. The majority of the respondents i.e.32 have disagreed by the statement that while purchasing they do not prefer green car over usual car whereas around 5 respondents have strongly disagree with the statement while about only 3respondents responded neutrally towards statement. On the other side, around 3 respondents have strongly agreed with the statement whereas only 7 respondents have agreed with the statement.

Conclusion

It has been concluded an existing automobile customers believes that it is

important for them the product they use does not harm environment. It has also been concluded that an automobile customers considers the potential environmental impact of their actions while making decisions. It has also been found out the customers are acknowledging that environmental has been degraded more in the last decade. Hence, it is concluded that an automobile customers are full conscious towards environment mentally but when it comes to the execution part of that consciousness into action mode by adopting such products which is less detriment towards environment i.e. green cars; they do not prefer green car over conventional car. This kind of

attitude from the customers may have influenced by various factors like choice, sacrifice, habits, etc. hence it can be concluded that the consumers are active in words but more passive in nature when it comes to action mode towards green product.

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