

## Consumer Attitude towards Green Marketing in Bangladesh

Jesmin Akter\*

### Abstract

*Recently climate change issues have come to the forefront. Climate change is a global challenge. It is a threat to social and economic stability and sustainable human existence. There is no doubt that climate change affects the fundamental requirement for health – clean air, safe drinking water, sufficient green food and secured shelter. Many measures have to be planned for and taken into account when adapting to climate changes. As a third world country Bangladesh can place a good phenomena in climate change through adapting consumer attitude towards green marketing. According to the study, consumers are very much sensitive in a few factors. These factors are consumer's loyalty about green product, Global warming and environmental safety, quality of product, concern about extra price and Luxury and Environmental awareness. Both descriptive and inferential statistics were used in analyzing data. For identifying the factors relating to purchase green product, factor analysis was conducted. Positive attitude towards green marketing is 53.417. Male are more aware and positive minded than female in respect of different issues of green marketing in Bangladesh. According to my study "50 years above" people have more favorable attitude than any other age group. Students are unconscious about the green practice and the impact for the future. Consumer's loyalty is the most important factor for taking decision for the purchase of green product by the consumer. So it is the urgent time to generate the concept of green marketing to the young generation. We must find an opportunity to enhance product's performance and strengthen our customer's loyalty to green product.*

**Key words:** Green product, Green consumer, Corporate Social responsibility, Green marketing.

### Introduction

Many people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics, especially in his buying decision. Green marketing or environmental marketing refers to ecological products such as healthy food, Phosphate Free, Recyclable, Refillable Ozone friendly, and environment friendly. There are some of the things consumers most often associate with green marketing.

In general, green marketing is a much broader concept that can be applied to consumer goods, industrial goods and even services. For example, around the world there are resorts that are beginning to promote themselves as "ecotourism" facilities, i.e., facilities that specialize in experiencing nature or operating in a fashion that minimizes their environmental impact.

Thus, green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising.

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\* Assistant Professor, Faculty of Business, ASA University Bangladesh

However, to define green marketing is not a simple task. The terminology used in this area has varied; it includes Green Marketing, Environmental Marketing and Ecological Marketing. While green marketing came into prominence in the late 1980s and early 1990s it was first discussed much earlier. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing".

"Green or Environmental Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment."

This definition incorporates much of the traditional components of the marketing definition, that is "All activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants" Therefore it ensures that the interests of the organization and all its consumers are protected, as voluntary exchange will not take place unless both the buyer and seller mutually benefit.

The above definition also includes the protection of the natural environment, by attempting to minimize the detrimental impact this exchange has on the environment. This second point is important, for human consumption by its very nature is destructive to the natural environment. So green marketing should look at minimizing environmental harm, not necessarily eliminating it. According to Pride and Ferrell (1993) Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm for the environment. Polonsky (1994) defines green marketing as all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.

Elkington (1994: 93) defines green consumer as one who avoids products that are likely to endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of, or cruelty to animals, adversely affect other countries.

### **Objectives**

- To study the consumer attitude for green marketing.
- To identify the factor that influences consumer to purchase green product.
- How the attitude helps to achieve millennium goal as third world country?
- To develop and explore some probable solution and recommendation for positively applying green marketing activities in Bangladesh.

### Literature review

This paper discusses GREEN MARKETING strategies in the context faced by businesses in the middle to late 1990s. The literature suggests that this context has been characterized by a consumer backlash against GREEN MARKETING, which has been created by perceived problems in the areas of GREEN product performance and GREEN claims in the late 1980s and early 1990s. Evidence is reported from a qualitative study, which investigated corporate perceptions of this context and revealed the strategic orientations, which have subsequently been employed by GREEN marketers. The findings suggest that managers do indeed perceive the backlash to have occurred and have been caused by the factors posited. It is argued that these understandings have assumed the role of myths in shaping organizational perceptions of the GREEN MARKETING context. Four subsequent strategic routes are identified in the paper, namely passive greening, muted greening, niche greening and collaborative greening. These are described in some detail and managers' justifications for them are presented. It is shown that each of these strategies might be appropriate for particular situations in the context of the backlash and some of the limitations of the GREEN MARKETING literature in this respect are highlighted. Finally, some discussion is provided regarding the appropriateness of these strategies in the future and potential avenues for further research are identified.

To bring attention to the general and pervasive exclusion of service industries from discussions of green marketing practices. They explore why circumstance may exist, and provided arguments to support the adoption of environmental practices by services providers. Also in trying to identify how the service sector can contribute to the preservation of the environment, a greening of services matrix was presented. This matrix designed to demonstrate through hypothetical examples the many ways that service industries can reduce, reuse or recycle resources, either collectively or individually, and thereby embrace the green initiative. Finally, Crane, A. (2000). submitted a total quality or benchmarking approach as a means by which services organizations may adopt environmental practices.

Greater ecological enlightenment can be secured through capitalism by using the characteristics of commodity culture to further progress environmental goals. Grove, S.J. & Fisk, R.P. (1996) reject both naive ecological romanticism and revolutionary idealism because they fail to offer any pragmatic basis by which greater environmental responsibility can achieve. Drawing on the now well-established theoretical tradition of post-Marxist cultural criticism, the authors offer a conceptual justification for the development and implementation of a green commodity discourse. For this to be achieved and implemented, prevailing paradigms regarding the structure, nature, and characteristics of capitalism must be revised. Marketing not only has the potential to contribute to the establishment of more sustainable forms of society but, as a principle agent in the operation and proliferation of commodity discourse, also has a considerable responsibility to do so.

Consumers are willing to pay an extra premium for a good if it has a low impact on the environment. Prothero, A. & Fitchett, J.A. (2000) examine if a little dose of such idealistic

behavior has a large impact on the market equilibrium, and to what extent it can replace the environmental regulation. The analysis is carried out in a model with product differentiation, where consumers differ in their preferences for product quality. Consumers' willingness to pay the environmental premium may be uniformly or non-uniformly distributed. Green consumerism will only be modestly influential in both cases, despite the fact that product differentiation leads to relaxed competition and increased profits, and thereby creates leverage.

Over the years, GREEN issues have been more talked about by business and industry, financial institutions and the public. There has been much discussion about the environment and the damaging effects produced by everyday activities. Extensive environmental damage has been caused by continuous consumption, MARKETING, manufacturing, processing and polluting, along with several environmental disasters. There are various responses to GREEN issues that companies have adopted. These range GREEN product promotion, GREEN MARKETING, environmental management and aiming for sustainability. Eriksson, C. (2004) presents the results of research investigating the strategies and practices in a sample of companies. It further relates issues such as ecological concerns, conservation and corporate social responsibility.

Saha, M. & Darnton, G. (2005) realize that Green marketing has not lived up to the hopes and dreams of many managers and activists. Although public opinion polls consistently show that consumers would prefer to choose a green product over one that is less friendly to the environment when all other things are equal, those "other things" are rarely equal in the minds of consumers. How then, should companies handle the dilemmas associated with green marketing? They must always keep in mind that consumers are unlikely to compromise on traditional product attributes, such as convenience, availability, price, quality and performance. It is even more important to realize, however, that there is no single green-marketing strategy that is right for every company. It suggests that companies should follow one of four strategies, depending on market and competitive conditions, from the relatively passive and silent "lean green" approach to the more aggressive and visible "extreme green" approach - with "defensive green" and "shaded green" in between. Managers who understand these strategies and the underlying reasoning behind them will be better prepared to help their companies benefit from an environmentally friendly approach to marketing.

Ginsberg, J.M. & Bloom, P.N. (2004) present a conceptual link among green marketing, environmental justice, and industrial ecology. It argues for greater awareness of environmental justice in the practice for green marketing. In contrast with the type of costs commonly discussed in the literature, the paper identified another type of costs, termed 'costs with positive results,' that may be associated with the presence of environmental justice in green marketing. A research agenda finally suggested determining consumers' awareness of environmental justice, and their willingness to bear the costs associated with it.

Green advertising is defined as the advertising that emphasizes the environmental friendliness of the product. Attributes such as degradability, recyclability, lower pollution are considered to be environmentally friendly. Oyewole, P. (2001) addresses how the strength of a green claim, for

example, the extent of pollution reduction claimed in an advertisement for a new automobile and the consumer's country disposition, that is, the consumer's attitude toward the country of origin of the automobile, interactively affected the product evaluation in terms of its greenness and company image in terms of its green consciousness. Product evaluation and company image were more favorable for consumers with highly positive country disposition than for consumers with less positive country disposition when the green claim was moderate in strength. However, when the green claim was extremely low or extremely high in strength, the reverse was true. Theoretical rationale for these findings draws upon several areas of research, for example, latitude of acceptance or rejection, assimilation or contrast effects, social cognition, country of origin, and Heider's balance theory. Managerial implications of the findings and future research directions are discussed. Green advertising without environmental emphasis in strategies and appropriate connections between strategies and marketing operations leads to green washing. Green washing is the misuse of the principles of environmental marketing and means that consumers cannot trust the content of advertisements. This study tests the proposition that green advertising reflects environmentally sound strategic- and structural-level decisions. The empirical data for the study was collected from the Finnish forest industry, including advertising by the industry. Over half of the 167 analyzed ads included environmental aspects but it can be argued that the use of green claims is not very versatile. The ads quite often simply state that the product is 'environmentally friendly' or 'natural'. In general, the advertisements reflected the company's level of greenness. Manrai, L.A., Manrai, A.J., Lascu, D-N. & Ryans, J.K. (1997) suggest that there is clear environmental substance behind environmental advertising claims in this industry.

### **Methodology**

This study attempts to realize consumer attitude towards green marketing in Bangladesh. To conduct the study, primary and secondary sources of information were used. Secondary data has been collected from journals, articles, books and websites as well. Primary data was collected from the different types of consumer on different geographic location in Bangladesh. However, this study interviewed 120 sample respondent consumer with a structured questionnaire where 60 were male and 60 were female for giving the equal emphasis on gender. Random sampling method is used to select the respondents.

In analyzing data, both descriptive and inferential statistics were used. For describing the overall situation of consumer attitude towards purchasing green product in Bangladesh, descriptive statistics like simple percentages were used. For identifying the factors relating to purchase and buying decision of green product by consumer, factor analysis was performed.

### **Limitation**

At the time of writing this article I faced some hazard. These are

1. Insufficient and rare information about the green marketer and service provider in Bangladesh.
2. Recent Government information is not adequate.
3. Publication and report on green marketing policy and practices are insufficient.

### **Findings**

Green marketing is now an issue to the people which generating a new dimension of consideration not only by the consumer attitude but also different concerns like media, Government, manufacturer, society, consumer health and environmental issues .To analyze this issue from consumer perspective, it is necessary to justify the opinion of the general people based on those significant factors. According to the study, consumers are very much sensitive in few factors. Positive attitude towards green marketing is 53.417% and also negative attitude is 46.583%. Male are more aware and positive minded than female in respect of different issues of green marketing in Bangladesh. According to my study “50 years and above” people have more favorable attitude than any other age group and most lower attitude among the group whose age is 10-20 year. Students are unconscious about the green practice and the impact for the future. Business people are more conscious than students. In addition retired persons are health conscious, as well as they try to suggest others to purchase the green product. On the other hand self employed and service people are neutral group. They always think about the cost and they are not responsible to the environment.

For identifying the factors relating to purchase and buying decision of green product by consumer, factor analysis is performed. Study identified five factors. Consumer’s loyalty is the most important factor used to take decision to purchase green product by the consumer. Other motivating factors are global warming and environmental safety, quality of product, concern about extra price and luxury, environmental awareness.

### **Factor Analysis**

Exploratory factor analysis is used to assess the dimensionality of consumer attitude towards green marketing construct. Prior to analysis, appropriate items were recoded so that all items ran in the same direction. Principal components analysis was performed with VARIMAX rotation. Initial default extraction produced eight factors with Eigen values greater than 1.0. Factors analysis shows that the communalities of the variables concerned with consumer attitude towards green marketing are given (Table 1). This indicates that the variables used for identifying the factor are highly cohesive among the group.

**Table 1: Communalities of the variables**

Variables	Extraction
Global warming	.704
Purchasing Decision	.543
Environment and physical safety standard	.646
Social benefit	.494
Extra price	.545
Quality	.699
Promotion	.475
Suggest others	.699
Stakeholder	.429
Luxury and showing off	.649
Reference group	.454
Future Generation	.516
Environmental awareness	.541
Environmental impact	.576
Electronic and media	.285

Extraction Method: Principal Component Analysis

Factor analysis results show that the variables related to purchase green product formed five factors. The most important factor to purchase green product is consumer's loyalty about green product (2.275), global warming and environmental safety (1.814), quality of product (1.579), concern about extra price and luxury (1.393) and environmental awareness (1.194) in Table 2. These identifying factors to motivate consumer to purchase green product together explain 55.028% of the variance of the data set.

**Table 2 : Motivating factor to purchase green product**

Factor	Initial Eigen values		
	Total	% of Variance	Cumulative %
1. Consumer's Loyalty about green product	2.275	15.164	15.164
2. Global warm and environmental safety	1.814	12.090	27.254
3. Quality of product	1.579	10.530	37.784
4. Concern about extra price and Luxury	1.393	9.286	47.070
5. Environmental awareness	1.194	7.958	55.028

Extraction Method: Principal Component Analysis.

The first factor of consumer attitude towards green marketing is consumer's loyalty about green product (Table 3) was formed by the three variables such as suggestion (.622), Social benefit(.558) and Future generation benefit (.503). These variables have higher level of factor

loadings that indicates that the variables forming the factor have higher level of correlation with the factor.

**Table 3: Consumer's Loyalty about green product**

Variable	Factor loadings
Suggest others	.622
Social benefit	.558
Future Generation benefit	.503

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.*

Table 4 shows that two variables relating to the motivation to buy green product and the variables formed a factor global warming and environmental safety . The variables are global warming (.645) and also environmental and physical safety standard (.618). Factor loadings are also very high of these variables.

**Table 4: Global warm and environmental safety**

Variable	Factor loadings
Global Warming	.645
Environmental and Physical Safety Standard	.618

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.*

Table 5 shows that one variable, quality (.584) is relating to the motivation towards green marketing formed a factor quality of product .

**Table 5 : Quality of product**

Variable	Factor loadings
Quality	.584

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.*

Table 6 shows that two variables influence the consumer to buy green product and the variables formed a factor concern about extra price and luxury. The variables are extra price (.637), Luxury and showing off (.522). Factor loadings are also high of these two variables.

**Table 6: Concern about extra price and Luxury**

Variable	Factor loadings
Extra price	.637
Luxury and showing off	.522

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.*

Table 7 shows that one variable influence the consumer towards green marketing and the variable formed a factor environmental awareness. The variable is environmental awareness (-.534).

**Table7: Environmental awareness**

Variable	Factor loadings
Environmental awareness	-.534

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.*

### **Conclusion and Recommendations**

This study was conducted to understand the consumer attitude towards green marketing and identify the factors related to the belief and motivation to purchase green product by the multi characteristics consumer of Bangladesh. Majority of the people are not aware of green product and their uses. Positive attitude towards green marketing is 53.417% and also negative attitude is 46.583%. Male are more aware and positive minded than female in respect of different issues of green marketing in Bangladesh. Study identified five factors. Consumer's loyalty is the most important factor used to take decision for purchasing green product by the consumer. Though it is not clear to the general people what kind of benefit are involving in environmental friendly products but the study reveal that due to global warming consumer are interested to purchase green product. The other factors are quality of product, extra price, use as luxury or showing off nature and environmental awareness etc. We can motivate our consumers towards green marketing by different awareness program. For green marketing to be effective we have to maintain three things; be genuine, educate our customers and give them opportunity to practice. Marketers need to understand the implications of green marketing. If we think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, think again. We must find an opportunity to enhance product's performance and strengthen our customer's loyalty. BUSINESS FIRMS TOO HAVE RISEN TO THE OCCASION AND HAVE STARTED RESPONDING TO ENVIRONMENTAL CHALLENGES BY PRACTICING GREEN MARKETING STRATEGIES. GREEN CONSUMERISM MAY PLAY A CATALYTIC ROLE IN USHERING CORPORATE ENVIRONMENTALISM AND MAKING BUSINESS FIRMS GREEN MARKETING ORIENTED and command a higher price. Green marketing is still in its infancy and there is an ample scope to conduct study further on another group of people to identify more influencing factors in this regard.

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