

# The study of green consumers' characteristics and available green sectors in the market

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**ABSTRACT:** Attention to environment has become a key element in political decisions and various organizations and associations have been formed along with a variety of laws and regulations for environmental protection. On the other hand, the increase in pollutions and environmental damage, and thus increasing public concern in relation to their surrounding natural environment, has started to show off their purchase and consumption behaviors and lead to the creation of a new group of consumers as the green consumers. Green consumers or environmentally friendly consumers refer to those consumers who have examined the effect of goods production and consumption in their purchasing behavior and relevant activities in the markets and decide accordingly.

**Keywords:** green consumers, green marketing, marketing mix, environment

## INTRODUCTION

The modern world has been caused increasing pollution and environmental problems and thus increasing public concern about the environment. These concerns have started to show off in their purchasing patterns, leading to the creation of a new group of consumers as green consumers. For effective marketing of green products, marketers require to divide green consumers into sectors with similar characteristics and use a distinctive green marketing mix for each target segment. In this paper, each key component of the green marketing mix has been described separately and practical advices has been presented for green products' marketers in each application. Then, the review of green consumers' characteristics and available green sectors in the market has been conducted according to previous empirical researches.

Although environmental concerns among consumers are increasing, however all green consumers are not equally green and do not tend to buy green product. As a result, using targeted marketing strategy seems necessary for effective marketing of green products. This means that all green consumers can not be targeted by a single marketing program; rather they should be divided into sections with similar characteristics. Then appropriate green marketing should be applied proportional to unique needs and characteristics of each part.

### **Green Marketing**

The first definition of green marketing was presented in 1979 by Hanion. He assumes that green marketing involves marketing programs and activities which focus on the environment-friendly sectors or the same green market approach. In addition to Hanion, Fuller (2003) has defined green marketing as a planning, implementing, monitoring, promoting and distributing process of products, with regard to three criteria of meeting consumer need, paying attention to organizational goals and processes compatibility with the environment.

### **The Green Consumer**

Green consumer refers to consumers who are concerned about the environment in their purchase behavior, activities associated with the marketplace and consumption habits and consider the effect of their behavior on the natural environment around them. However, these concerns are not only about the goods, but it is possible to influence on how green consumers travel or place they choose for working or vacation. In general, each consumer who shows the environmentally friendly behavior is called a green consumer.

Stern defines the behavior affecting the as “the range of behavior that changes the accessibility amount of energy or natural resources or influences the structure and dynamics of ecosystem or environment space. Consumers’ green behavior can be divided into two general categories. The first category is behaviors related to reduction of energy resource consumption that is called truncation behaviors and the second consists of the buying decisions and behaviors that are called green purchase behavior . Truncation behaviors (such as less use of private cars , temperature reduction of heating devices or reducing water and electricity consumption) normally do not need to spend extra money and it often requires to change personal habits. But most green purchase behaviors in short-term will follow additional costs. Purchasing green products, insulating home with new equipment, buying CFLs or purchasing eco-friendly and energy-efficient cars are green purchase behaviors.

Recognition of different available sectors of green consumers in the market is necessary for effective marketing of green products. Researchers have used geographic, demographic, psychological and behavioral variables to classify and identify different profiles of green consumers. Ginsberg and Bloom have divided green consumers into 5 categories based on environmentally friendly behavior.

### ***True Blue Green***

These green consumers have strong environmental values and intensive desire to participate in activities and organizations supporting the environment. This group, who forms about 9% of green consumers, intensively refuses to buy the products from manufacturers unresponsive to the environment.

### ***Green Back Greens***

This sector of green consumers, who makes up about 6% of the total, are not interested as true blue green to join organizations supporting environment but they show their interest to buy green products.

### ***Sprouts***

Sprouts are only concerned about the environment, and in practice they are less willing to pay extra-price for green products. These types of green consumers, who make up 31% of the total, can be encouraged by appropriate green marketing strategies to buy green products.

### ***Grouzers***

Environmental knowledge level in grouser consumers is very low, so this group, who constitutes 19% of total green consumers, believes that green products have low efficiency and quality and the manufacturers' claims about these products is only to increase sales.

### ***Basic Browns***

This group of consumers are more involved with their daily problems and ignores the environmental problems.

Numerous studies have been conducted to identify the profile of green consumers in different countries. In most studies conducted, researchers have identified the demographic characteristics of green consumers. In a comprehensive review, Dimantopoulos et al have studied the results of experimental studies that examined the effect of various demographic on knowledge, attitudes and environmental behavior of green consumers. In the following due to the results of this study as well as other review of several recent studies that were performed by the authors, demographic properties of green consumers were investigated.

### ***Age***

Most researchers believe that older people are more sensitive to the environment and are more concerned about environmental problems. For example, Abeliotis et al in a research conducted in Greece found that the age of consumers is directly related to their desire to buy green products and older people in their purchase decisions pay more attention to protect the environment.

### ***Gender***

Most researchers believe that women more than men, because of the unique social and behavioral characteristics, carefully examine their decisions and behavior outcomes and avoid behaviors that cause damaging and hurting others and their environment and tend to green behaviors.

### **Education**

The relationship between this variable and green purchase and behavior have been approved more than other variables and most researchers have concluded this variable are directly related to green behavior in consumers.

### **Social class**

In various researches that have been done on green purchase behavior of consumers, researchers have proved that social class that is defined in terms of job and income, is directly related to the green behavior.

### **Green Marketing Mix**

Green marketing mix has been composed of three key elements: green product, green price and green place. The following describes each of these concepts and provide practical recommendations on each application.

#### **green product**

In general, green products or environmentally friendly products are products that do not pollute the environment, do not waste resources or are recyclable. Green product helps to maintain and improve the natural environment by saving energy or resources and reducing or eliminating the use of toxic substances, pollution and waste. Products with recyclable or reusable packaging, CFLs, detergents and cleansers whose elements are degradable in environment, are examples of green products.

#### **Green Price**

Price is a key factor in the green marketing mix. Most green products are offered at a price higher than similar products. Consumers are willing to pay a higher price for green products only if they can understand its added-value. According to Ginsberg and Bloom, in addition to the environmentally-friendly product, consumers select a green goods among alternative goods when intended goods is better or at least equal to alternative goods in terms of subjective and functional characteristics. Most consumers simply do not sacrifice their needs and desires for being green and environmental protection.

#### **Green Distribution**

A green distribution channel should have the following characteristics:  
Packaging products for transporting to the distribution place should be aimed to minimize the waste and the consumption of raw materials.  
Products transportation to the distribution place should be aimed to reduce environmental damage, such as reducing energy consumption and reducing pollution.  
A distribution channel with minimum length (including manufacturer, wholesaler, retailer and consumer) is used to minimize the need for packaging and shipping.  
Distributors offer enough information about green products and its usage to the consumers.

#### **Green marketing strategy**

Ginsberg and Bloom believe that no single green marketing mix and strategy can be prescribed for all companies. Instead, every company should develop an appropriate strategy based on the company's goals, resources, target market, competitive conditions, and etc. The researchers have presented green marketing strategy matrix in figure 1 and indicated that green marketing strategies must be determined by the size and importance of green market in the given industry and the company's' ability to distinguish its products based on the degree of being green.

#### **Lean Green (Light)**

Companies following this strategy do not persist on their product or service promotion with an emphasis on green features, even taking steps toward green practices. Their desire to reduce costs and improve efficiencies is through environmental programs; thus, they achieve the benefits by reducing the cost and savings that are classified apart from green marketing.

#### **Defensive Green**

Companies that follow this strategy use green marketing only as a means to tackle the market's crisis as well as a response to competitors' marketing activities, because of inability to differentiate their products based on the environmentally friendly characteristics.

### **Shaded Green**

Companies that follow this strategy are also called moderate greens. This group of companies participates in the long-term, systematic, and environmentally friendly process of company.

### **Extreme Green**

These kinds of companies have been established with the philosophy of combining environment, profitability and product life cycle.

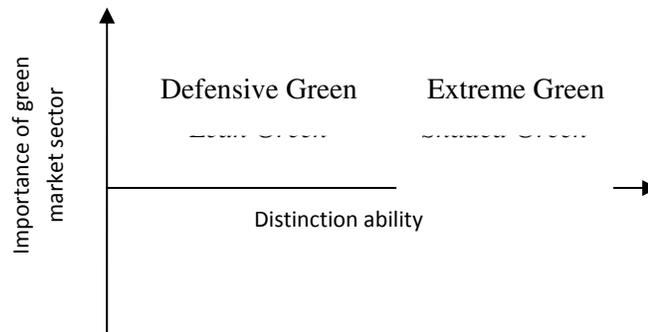


Figure1. Green marketing strategy matrix

## **CONCLUSION**

In recent years, many manufacturers have come to the conclusion that informing consumers about the effect of their products and production process on nature and environment is necessary to retain customers who are strongly concerned about the surrounding natural environment. In the meantime, some producers who have started to optimize their production processes for reducing energy consumption, are scarce. So, they can to reduce waste and use fewer raw materials. Others have designed and produced new products that are less harmful to the environment and are an environmentally friendly approach.

Producers should always pay attention to the fact that most consumers do not sacrifice product key characteristics such as ease of use, availability, price and quality and efficiency for green features of that product. It is also important to note that there is no single green marketing mix and strategy for targeting all green consumers, rather marketers should use an appropriate single green marketing mix and strategy according to industry in which they operate and target consumers' needs and characteristics. This paper aims to help marketers in choosing target green consumers and appropriate marketing mix.

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Green consumption is closely related to the notions of sustainable development or sustainable behaviour. It is a form of consumption that is compatible with the safeguard of the environment for the present and for the next generations. It is a concept which ascribes to consumers responsibility or co-responsibility for addressing environmental problems through the adoption of environmentally friendly behaviors, such as the use of organic products, clean and renewable energy and the research of... Green consumers decision to purchase green products is becoming a central issue in the present state of green marketing research because of the rising of environmental consciousness and green consumption trends worldwide. Based on the Theory of Planned Behaviour (TPB), the intention of performing the specific behaviour (in this study purchasing green product) is influenced by three main components of attitude, subjective norm, and perceived behavioural control. GREEN CONSUMERISM. Haliza Abdul Rahman. Institute for Social Science Studies (IPSAS)/Department of Environmental and Occupational. Health, Faculty of Medicine and Health Sciences, Universiti Putra Malaysia, 43400 Serdang, Selangor, Malaysia. Thanks to green consumerism, emissions from the transportation sector and industries have been considerably reduced. Also, because of green consumerism advocacies and programs, stringent standards against emission have been put in place thus lowering emissions from engines and motors and the advancement of clean-burning fuel options. Green Consumerism Examples. 1. Consumers of seafood such as cockles, herring, rock lobster, salmon, and Hoki demand for foods that have the Marine Stewardship Council's logo that show harvesting under responsible environmental management. For example, American Apparel is one company that has profited from marketing itself as an enterprise that ensures good working conditions for its employees and the use of organic cotton. View Green Consumerism Research Papers on Academia.edu for free. Literature on Marketing reveals that the concept of green marketing got attention in the 1970s. During mid-1970s, some significant contributions were made on ecological perspectives of marketing. Save to Library. The present study aims to understand the concept of green product and consumer behavior towards it. The study also investigates the relationship of green product usage and purchase intention with demographic variables (age, gender, income and educational qualification). Primary data was collected using structured questionnaires and analysed using descriptive statistics as well as Pearson's chi-square test for independence. Majority of consumers contemplate that green marketing means promotion or advertisement of those products which are eco-friendly, recyclable, refillable, ozone friendly and free from other impurities. But, green marketing is much wider term covering 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. H0: There is no significant relationship between Socio-Economic Characteristics and Consumer's perception towards Green Products.