

## The impact of Green Products on the Customer purchase Behavior

تأثير المنتجات الخضراء على السلوك الشرائي للمستهلكين

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### Abstract:

Over the past years, both consumer awareness and consumer attitudes toward green brands have increased significantly. Although green products are increasingly prevalent, many controversies surround their acceptance on the market, especially given the high number of green washing cases. The main problem seems to be linked to the definition of the concept of green products, which is still generally unclear to many consumers. This study aims to clarify the concept of green product and how it affects consumer purchasing behavior. The study concluded that consumer values, which include health consciousness, environmental consciousness, past experience and attitude towards buying organic products, are the main factors that impact the consumer purchasing behavior. **Keywords:** green product, consumer behavior, green purchase behavior.

**JEL Classification Codes:** M310; D100 ; D9 ; Q5.

ملخص:

خلال السنوات الماضية ازداد وعي المستهلكين اتجاه العلامات التجارية الخضراء بشكل ملحوظ. وعلى الرغم من أن المنتجات الخضراء منتشرة بشكل متزايد ، إلا أن العديد من الخلافات تحيط بقبولها في السوق، ولعل أن المشكلة الرئيسية مرتبطة بتعريف مفهوم المنتجات الخضراء، الذي يزال غير واضح بشكل عام للعديد من المستهلكين. وفي هذا الاطار تهدف هذه الدراسة إلى توضيح مفهوم المنتج الأخضر وكيف يؤثر على السلوك الشرائي للمستهلك. وقد توصلت الدراسة إلى أن قيم المستهلك التي تشمل الوعي الصحي، والوعي البيئي، والخبرات السابقة والموقف تجاه شراء المنتجات العضوية، هي من العوامل الرئيسية التي تؤثر على اقبال المستهلكين على شراء المنتجات الخضراء.

كلمات مفتاحية: المنتج الأخضر، سلوك المستهلك، سلوك الشراء الأخضر.

تصنيف JEL: M310، D100، D9، Q5.

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## 1.INTRODUCTION:

Today consumers' needs and demands are changing rapidly and businesses work to improve their understanding of administration, areas of activity and strategies of marketing in order to keep up with the many changes taking place globally. While producers' decisions take commercial worries, competition and consumer demands into account and consumers' decisions are directed by buying behaviors, satisfaction of needs and many psychological factors, both producers and consumers are influenced in decision-making by their relationship with the external milieu.

Thus the cultural and social milieu, the economic, political and legal milieu, the demographic and technological milieu and the natural milieu directly shape the decision-making processes of businesses and consumers. Two of the most important external milieu factors which affect businesses and consumers are the natural balance of the world and the elements of ecology.

These developments have now led to the establishment of environmental NGOs and helped place the natural environment among the criteria for international quality standards and legal regulations. Accordingly, the aim of this study is to define green product and to analyze its effect on Customer purchase Behavior. We aim through this study to answer the following question: How green products affect the purchasing behavior of consumers?

In order to answer this question, we propose the following hypotheses:

- Environmental concern is one of the key aspects in motivating the consumers to purchase environment friendly products.
- Consumers tend to buy the products and services, which they think, will suit their personal image.
- Social influence of or direct identification with an environmentally conscious consumer has an impact on Green Purchase Behavior.

## **2. The concept of green product:**

### **2.1. Green marketing definition and History:**

The term Green Marketing came into prominence in the late 1980s and early 1990s. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing". The Corporate Social Responsibility (CSR) Reports started with the ice cream seller Ben & Jerry's where the financial report was supplemented by a greater view on the company's environmental impact (Green marketing, 2020, wikipedia).

In 1987 a document prepared by the World Commission on Environment and Development defined sustainable development as meeting the needs of the present without compromising the ability of future generations to meet their own need, this became known as the Brundtland Report and was another step towards widespread thinking on sustainability in everyday activity (Green marketing, 2020, wikipedia).

Two tangible milestones for the first wave of green marketing came in the form of published books: Green Marketing by Ken Peattie (1992) in the United Kingdom and Green Marketing: Challenges & Opportunities for the New Marketing Age by Jacquelyn Ottman (1993) in the United States of America. According to Jacquelyn Ottman, (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Greenleaf Publishing and Berrett-Koehler Publishers, February 2011) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing new product development and communications (Green marketing, 2020, wikipedia).

Later green marketing has continued to gain adherents, particularly in light of growing global concern about climate change. This concern has led more companies to advertise their commitment to reduce their climate impacts, and the effect this is having on their products and services.

Green marketing has been given different names by marketing scientists and been named also as social marketing, ecological marketing, environmental marketing and sustainable marketing (Soonthonsmai, 2001: 18; Chamorro , A.,Tomas M, 2006: 11; Chamorro et al., 2007). Peattie (2001) defines green marketing as the attempt to decrease the negative social and environmental effects of products and production systems, and as marketing activities which support products/services with bad effects less.

It consists of marketing activities which involve the production, pricing, distribution and promotion of nature friendly products that help businesses reach its goals while at the same time meeting consumers' needs and desires and which continue after a product starts being used ( Nedra Kline Weinreich, 2006, pp 2-4.).

## **2.2. Green Products – Definition:**

A green product is a sustainable product designed to minimize its environmental impacts during its whole life-cycle and even after it's of no use. Green products are usually identified by having two basic goals – reducing waste and maximizing resource efficiency. They are manufactured using toxic-free ingredients and environmentally-friendly procedures and are certified by recognized organizations like Energy star, Forest Stewardship Council, etc... Green marketing is the marketing of products that are presumed to be environmentally safe. It incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying advertising. Some of the characteristics of a green product are (PRINONA DAS, 2019):

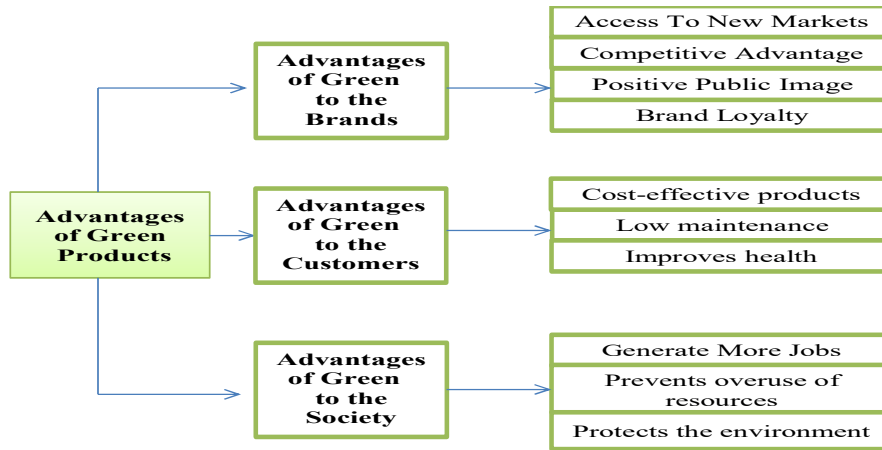
- Grown without the use of toxic chemicals and within hygienic conditions
- Can be recycled, reused and is biodegradable in nature
- Comes with eco-friendly packing
- Uses the least resources

- Is eco-efficient
- Has reduced or zero carbon footprint
- Has reduced or zero plastic footprint

### 2.3. Advantages of Green Products:

The importance of green products can be summarized in the following table:

Fig.1. Advantages of Green Products



Source: Authors treatment.

**2.4. Challenges Green Products Face:** Among the challenges that green marketing faces:

- **Costly Products:** Green products require innovation and a lot of investment. This increases the cost of developing the products, which results in making them a bit costly than the available alternatives in the market.
- **Ignorance:** The common masses are still ignorant about the importance and benefits of going green.
- **Investment:** Green products require the development of new technologies. This requires a large investment in research and development (R&D). Not every company can afford to spend this amount.

### **3. Introduction to Consumer Behavior:**

#### **3.1. Consumer behavior definition:**

Consumer behavior is the study of individuals, groups, or organizations and all the activities associated with the purchase, use and disposal of goods and services, including the consumer's emotional, mental and behavioral responses that precede or follow these activities. Consumer behavior emerged in the 1940s and 50s as a distinct sub-discipline in the marketing area. Consumer behavior is an inter-disciplinary social science that blends elements from psychology, sociology, social anthropology, anthropology, ethnography, marketing and economics, especially behavioral economics. It examines how emotions, attitudes and preferences affect buying behavior (Kardes, F., Cronley, M.,2011, p7).

Consumer Behavior can be defined as the acts of individuals directly involved in obtaining and using economic and services, including the decision process that precede and determine these acts (Engel et al, 1968, P5). The term, consumer can refer to individual consumers as well as organizational consumers, and more specifically, "an end user, and not necessarily a purchaser, in the distribution chain of a good or service."

#### **3.2. Importance of Consumer Behavior:**

Studying consumer behavior is important because these way marketers can understand what influences consumers' buying decisions. By understanding how consumers decide on a product they can fill in the gap in the market and identify the products that are needed and the products that are obsolete. Studying consumer behavior also helps marketers decide how to present their products in a way that generates maximum impact on consumers. Understanding consumer buying behaviors is the key secret to reaching and engaging your clients, and converts them to purchase from you. A consumer behavior analysis should reveal (Valentin Radu, 2019):

- What consumers think and how they feel about various alternatives (brands, products, etc.);
- What influences consumers to choose between various options;
- Consumers' behavior while researching and shopping;
- How consumers' environment (friends, family, media, etc.) influences their behavior.

### **3.3. Types of consumer behavior:**

There are four main types of consumer behavior (Valentin Radu, 2019):

- Complex buying behavior: This type of behavior is encountered when consumers are buying an expensive, infrequently bought product. They are highly involved in the purchase process and consumers' research before committing to invest.
- Dissonance-reducing buying behavior: The consumer is highly involved in the purchase process but has difficulties determining the differences between brands. 'Dissonance' can occur when the consumer worries that they will regret their choice.
- Habitual buying behavior: Habitual purchases are characterized by the fact that the consumer has very little involvement in the product or brand category.
- Variety seeking behavior: In this situation, a consumer purchases a different product not because they weren't satisfied with the previous one, but because they seek variety.

### **4. Consumers' purchasing behavior towards green products:**

Every time someone makes a decision about whether (or not) to purchase a product or service there is the potential for that decision to contribute to a more or less sustainable pattern of consumption. Each purchase has ethical, resource, waste and community impact implications. When individuals consider the adoption of sustainable lifestyles, they engage with an increasingly complex

decision-making process. These every day decisions on practical environmental or ethical solutions often result in trade-offs between conflicting issues and result in a —motivational and practical complexity of green consumption (Moisander, 2007 p. 404).

#### **4.1. Green consumer:**

A green consumer can be defined as follows (what is Green Consumer, <https://www.igi-global.com/dictionary/sustainable-consumption-trends-in-the-world-in-the-context-of-green-economy-and-sustainability/39319>):

- A type of consumer who buys green products such as ecological, organic or energy-saving products and therefore consumes fewer natural resources. It is a form of consumption that is compatible with the safeguard of the environment for the present and for the next generations.
- Someone who has consumer attitudes towards preserving the environment. It refers to the consumers who opt for greener products .
- A consumer that is sensitive for protection environment when he/she makes a buying decision .Is the person who is supportive of environmental causes and prefers green product.
- The type of consumer that is concerned with individual environmental and social needs. It normally addresses the market in such a way that penalizes maximization of profits that disregards the maximization of the satisfaction of consumer needs, in accordance with the environment restrictions and regulations.

#### **4.2. Consumers' green purchase behavior:**

It is now accepted that the environment is more than just a passing fad (Peattie, 1992). Surveys and opinion polls around the world have shown that environmental issues sit high on the public agenda; a 1991 opinion poll showed that 85 per cent of the citizens of the industrialized world believe that the environment is the number one public issue (Carson and Moulden, 1991). Some



environmental problems have been linked to individual consumption (The Economist, 1990a).

As a result of the public realization that its consumption activities lead to environmental problems (Kangun, et al. 1991), some consumers are translating their environmental concern into actively purchasing green products. In addition, consumers' consideration of environmental matters in their purchases (Lloyds Bank, 1989) and their willingness to pay a premium for green products (Ottman, 1992; Salzman, 1991) led marketers to identify the environment as a key market opportunity (Bohlen et al., 1993) and as a result, a number of green products were introduced. A variety of green products are now offered to consumers, ranging from laundry detergents and household cleaning products to cosmetics and toiletries, and from energy saving appliances to compostable nappies.

The large number of environmental problems that consumers face is the key reason behind the shift from traditional (or non-green) purchasing behavior to greener purchasing patterns. Mostafa (2007) defined green/environmentally friendly buying behavior as the consumption of environmentally friendly products that are sensitive/responsive recyclable/ conservable' and 'benevolent/ beneficial' to the environment. According to Schultz and Zelezny (2000), attitudes of environmental concern are rooted in a person's concept of self and the degree to which an individual perceives him or herself to be an integral part of the natural environment". In conclusion, attitude represents what consumers like and dislike (Blackwell et al., 2006) and consumers' product purchasing decisions are often based on their environmental attitudes (Irland, 1993; Schwepker and Cornwell, 1991) (Booi Chen Tan, Teck-Chai Lau, 2010, p 30).

There is a general belief among researchers and environmental activists that through purchasing environmentally friendly products or green products, products with recyclable packaging or properly disposing of non-biodegradable garbage, consumers can contribute significantly to improve the quality of the environment

(Abdul-Muhmim, 2007). The quality of the environment depends critically on the level of knowledge, attitudes, values and practices of consumers (Mansaray and Abijoye, 1998). According to Tanner and Kast (2003), green food purchases strongly facilitated by positive attitude of consumers towards environmental protection. Personal norm is the feeling of moral obligation of consumers. It is a powerful motivator of environmental behavior (Hopper and Nielson, 1991; Stern and Dietz, 1994; Vining and Ebreo, 1992). The extent to which people feel obliged to recycle is related to conservation-related product attributes (Ebreo et al., 1999). These investigations suggested that environmentally friendly behavior may be characterized as morally demanding.

Kotler (2011) found that consumers are using a new dimension, the degree of social corporate responsibility towards the environment, when they want to choose among brands available in the market. In recent years, the proportion of consumers who had never bought a green product decreased to less than one-half. Green consumers are changing marketplaces in many significant ways, and consumers are recognizing the enormous impact that their buying behaviors have on the environment, which reinforces the position of the environment as a top world (Omar S Itani, 2014, p 189).

Dagher and Itani (2012) posited that consumers are trying to help improve the environment with green purchasing. Being environmentally friendly is not the only aim of consumers who engage in green purchasing behavior; they also purchase green products when they know that such a purchase will bring them immediate benefits (Vermillion and Peart, 2010) (Omar S Itani, 2014, p 189).

Ottoman & Mallen (2014) believe that individuals are seeking out green products, because they perceive them to be healthy and organic, of higher quality, and help preserve the environment. Manget, Roche and Münnich (2009), in support, found that consumers greatly value the benefits of green products such as

superior freshness and taste, the promise of safety and health and savings on energy costs.

Although the recognition of the importance of environmental issues and growing awareness and efforts to use green products, apprehension has grown over the fact that product recycling remains incomplete.

In particular, regarding the purchase of green products, idealism and reality have failed to find a common meeting ground, hampering purchases of recyclable products in spite of widespread recognition of the need for environmental protection.

#### **4.3. Factors Affecting Purchase Behavior:**

The study of Consumer Behavior is quite complex, because of many variables involved and their tendency to interact with & influence each other. These variables are divided into two major sections they represent the following:

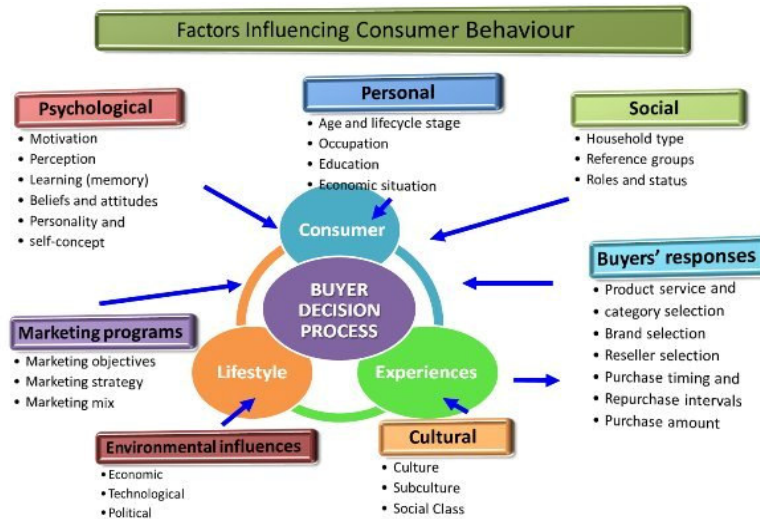
- **External Environmental Variables:** These are the factors controlled by external environments like:

- Culture, and Sub-culture;
- Social Class, and Social Group;
- Family, and Inter-Personal Influences;
- Other Influences, like geographical, political, economical, etc...

- **Individual Determinants of Behavior:** These variables are personal in nature and they are influenced by external factors and in turn influence the way consumers proceed thro' a decision making process regarding products & services. They are:

- Personality & Self-concept,
- Motivation & Involvement,
- Perception & Information Processing,
- Learning & Memory,
- Attitudes.

**Fig.2.** Factors influencing consumer Behavior



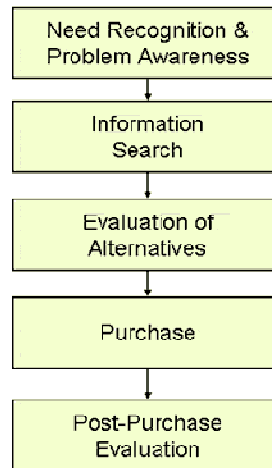
**Source:** <https://consumervoicelog.wordpress.com/2012/08/03/factors-influencing-consumer-behaviour/>

Environmental concern is one of the key aspects in motivating the consumers to purchase environment friendly products. It also helps them to form positive environmental attitudes. Thus it can be derived that the environmental concern has a positive impact on the consumer. Social Influence is about the change in own behavior, based on the observation of others attitudes and actions. It has been found that an individual is generally influenced by the behavior of others (Bearden et al. 1989). In influencing the consumer’s buying intentions, self-image also plays a big role. Consumers tend to buy the products and services, which they think, will suit their personal image. Consumers frequently try to preserve, enhance, alter or extend their self-images by buying products or services and shopping at stores believed to be consistent with the relevant self-image and by avoiding products and stores that are not (Vijay Prakash Anand, 2016, P 137).

Figure 3 outlines the process a consumer goes through in making a purchase decision. Once the process is started, a potential buyer can withdraw at any stage

before making the actual purchase. This six-stage process represents the steps people undergo when they make a conscious effort to learn about the options and select a product—the first time they purchase a product, for instance, or when buying high-priced, long-lasting items they don't purchase frequently. This is called complex decision making.

**Fig.3.** Consumer Buying Decision Process



**Source:** <http://4madmarketeers.blogspot.com/2012/08/buyer-behaviour-decision-making-process.html>

Consumers go through 5 stages in making the decision to purchase any goods or services.

- The first step of the buyer decision process is the need recognition stage. Here the consumer recognizes a need or problem and feels a difference between the actual state and some desired state. They try to find goods for satisfying such needs.
- This leads to the second stage of searching for information about the product. The consumer tries to find out as much as possible about the product's available brands.

- At the Third stage is consumer uses the information to evaluate alternative brands.
- After that, consumers make the purchase decision at the fourth stage. Consumers or buyer selects the most suitable product.

The fifth stage is the post-purchase evaluation, and it is the most important one.

Depending on the level of satisfaction or dissatisfaction, the consumer will become a loyal customer or actively avoid the brand and tells others to do so via online reviews and word of mouth.

#### 4.4. Green product companies examples:

Some companies have thrived by marketing their product lines as being environmentally correct or "green", as they have known a high turnout of consumers for their products.

A prime example is (PRINONA DAS,2019 ):

- **Body Shop:** a cosmetics company that is strongly and explicitly pro-environment with regard to its products. It strives, for instance, to develop products made with substances derived from threatened tropical rain forests so that they can be preserved.
- **The American ice cream manufacturer, Ben and Jerry's:** has adopted a similar approach to using rain forest products in what it sells. Mercury- and cadmium-free batteries have been marketed by Varta, a German company.
- **Ecover, a small Belgian company,** made major sales gains when it began to market a line of phosphate-free detergents.
- **Wal-Mart** is another company that provides its customers with green products. Loblaw, a Canadian grocery chain, has introduced a "green-line" of environmentally friendly products and has sold more than twice the amount than it had initially projected.

- **Seventh Generation**, a mail-order company based in California, has successfully marketed its own line of recycled toilet paper, biodegradable soaps and cleansers, and phosphate-free laundry and dishwashing detergent.

#### **6. Conclusion:**

Brand recognition is an important determinant of consumer awareness, as companies which cater the market and have captured the largest market share are the ones which are actively promoting green products.

Consumer's level of environmental concern is related to their consideration and willingness for buying the natural, eco-friendly or green products. Awareness effect is also mediated by the price. Understanding of the benefits of green products make the consumers shift towards purchasing green or organic products.

Consumer values which include health consciousness, environmental consciousness and appearance consciousness, perceived consumer behavior control, attitude towards buying organic products, past experience with organic products are the main factors that impact the purchasing intention of the consumers.

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